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IMPORTATION AND USE OF OPIUM

HEARINGS

BEFORE THE

COMMITTEE ON WAYS AND MEANS OF
THE HOUSE OF REPRESENTATIVES

61ST CONGRESS, 3D SESSION

ON

H. R. 25240, H. R. 25241
H. R. 25242, and H. R. 28971

DECEMBER 14, 1910 AND JANUARY 11, 1911

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COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES.

SIXTY-FIRST CONGRESS, THIRD SESSION.

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EBENEZER J. HILL,
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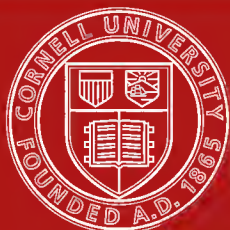
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IMPORTATION AND USE OF OPIUM.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Wednesday, December 14, 1910.

The committee met at 10.25 o'clock a. m., Hon. Sereno E. Payne in the chair.

Present: The chairman, and Messrs. Dalzell, Hill, Boutell, Needham, Calderhead, Fordney, Longworth, Ellis, Clark, Pou, and Harrison.

The CHAIRMAN. The committee will be in order. Gentlemen, several bills have been introduced here having in view the regulating of the manufacture of smoking opium within the United States, the prohibition of the importation and use of opium for other than medicinal purposes; and regulating the production, manufacture, and distribution of certain habit-forming drugs. These bills were all introduced by Mr. Foster and bear the following numbers, 25240, 25241, 25242, and 28971.

This meeting was called at the request of some druggists who wanted to be heard upon the question; and a day or two ago, after the meeting had been announced and a number of people interested in these bills had been notified, I received a letter from the gentleman who had asked for the hearing, desiring to postpone it until after the 1st of January. But I told him probably some people would be here who wanted to be heard this morning, and that we would hear them, and afterwards, if it became necessary, that we would postpone the balance of the hearing until after the 1st of January—after the holiday recess. Who is there here who desires to be heard?

STATEMENT OF MR. HAMILTON WRIGHT, AMERICAN DELEGATE TO THE INTERNATIONAL OPIUM COMMISSION.

Mr. WRIGHT. Mr. Chairman, I have already had a hearing before this committee, and there are several gentlemen here who are interested in the matter.

The CHAIRMAN. Have you been heard on this internal-revenue bill?

Mr. WRIGHT. Yes, sir; Dr. Schieffelin is here, of New York, Mr. Rosengarten and Dr. Koch, of Philadelphia, and Mr. Richardson, secretary of the legislative committee of the National Wholesale Druggists' Association. I would rather not say anything until they are heard.

Mr. DALZELL. Are they all on the same side?

Mr. WRIGHT. I do not think there is any side to this. I have found in my relations with the trade that they are very anxious to

have something done, and that it is simply a question of what is the best way of dealing with this question.

**STATEMENT OF MR. WILLIAM J. SCHIEFFELIN, PRESIDENT OF
THE NATIONAL WHOLESALE DRUGGISTS' ASSOCIATION.**

Mr. SCHIEFFELIN. My name is William J. Schieffelin, wholesale druggist, 170 William Street, New York City. I am president of the National Wholesale Druggists' Association. I wish to say, sir, that our association is in favor of the principle of this bill. We are anxious that cocaine and morphine shall only be used legitimately. We are anxious that the sale shall be so traced that the local authorities will be able to find where undue quantities are being sold and keep watch and track of the illegitimate sale. We understand that that is the purpose of this bill. We are very much concerned as to the practical working of it. My own house has nearly 10,000 book accounts, and if through an error of a clerk or through the lapse of a license of one of our customers we sell to a man whose license has expired, unknowingly, we become, according to this, liable to the minimum penalty of \$500 or one year's imprisonment—and as I am the president of the company I would probably have to serve the term. [Laughter.]

We respectfully urge that section 4 be amended to provide that any written order for any of these articles, any of these preparations, which bears the stamp or imprint having the license number of the customer on it shall be evidence that the dealer has sold to a licensed customer. I am not urging that those words be inserted, but that some such device be provided in order to protect us from this serious penalty. We feel that, if possible, where the maximum penalty might be prescribed, the infliction of the penalty might be left to the judge.

Mr. DALZELL. You mean section 6, instead of section 4.

Mr. SCHIEFFELIN. No; section 4 provides that it is unlawful to sell.

Mr. DALZELL. I know, but section 6 is the one that imposes a penalty.

Mr. HILL. That is in regard to not being taxed. Section 4 is the sale.

Mr. DALZELL. Oh; I see.

Mr. SCHIEFFELIN. The penalty applies to any part of the act, but I only spoke of that to illustrate what danger we are all in. We would suggest that in this new legislation if the minimum penalty were omitted, as it was in some of the other bills suggested, it might be fairer. Our members were hoping that this would be applied to cocaine at first only and later to morphine, for the simple reason that there is probably more than 100 times as much morphine sold as cocaine, and the experiments could be tried as to whether this method of tracing the sales would not be effective on the cocaine.

The CHAIRMAN. Are you able to say whether there are separate provisions in the internal-revenue bills regulating dealing in tobacco?

Mr. SCHIEFFELIN. I am not aware that there are.

The CHAIRMAN. I do not know whether there are or not. I have not looked into it; but the Commissioner of Internal Revenue, under date of February 5, 1910, says that he has examined this bill, or these bills; and he says: "I am of the opinion that they are drawn in con-

formity with present internal-revenue statutes; that the provisions of the bills are entirely practicable so far as efficient enforcement is concerned; and that the bills as proposed advantageously supplement the act of February 9, 1909, regulating the importation of opium."

I would suggest to you that before you leave the city you go in and talk to Mr. Cabell, the Commissioner of Internal Revenue, about it and put before him the objections that you have to the bill, and then the committee will call him later in regard to it and ask him about it.

MR. SCHIEFFELIN. I will be glad to do so. If I may be allowed to repeat, we are in favor of the principle of the bill. We recognize that it is one link in the chain that is indispensable.

MR. HARRISON. Is there any regulation of these matters in our State laws now?

MR. SCHIEFFELIN. In a few of the States; but last year the commissioner of police in New York wrote that it was entirely impossible to take advantage of the provision in the New York State law which requires that all sales of cocaine shall be reported, and that the record should be open to the police and the department of health and the department of pharmacy, for the reason that the moment the small number of retailers who wish to evade that law find that they are being watched they could at that time either import from Hamburg or buy in Philadelphia or Baltimore their supplies, and that there was no way of getting the information. This would effectually stop that hole, and make the system work. We are all anxious—manufacturers, wholesale dealers, and retailers—I am sure, to cooperate with the Government in this matter.

MR. BOUTELL. What has been the course of the sale of medicinal preparations containing opium during the last few years? Has there been a per capita increase in the sale of such preparations?

MR. SCHIEFFELIN. The amount of morphine has increased. The amount of cocaine has somewhat decreased. I think that is due to the legislation in a number of States against cocaine and also to the awakened conscience in the drug trade, which refuses to supply the victim of the cocaine habit; but the morphine has materially increased, especially in the form of small tablets. All the tablet makers that I have spoken with have told me that the demand for small hypodermic tablets has steadily increased.

MR. BOUTELL. How is it with the liquid preparations in the form of so-called tonic and patent cure-alls, and so on, that are advertised so extensively? They must be sold to pay for the advertising.

MR. SCHIEFFELIN. I think only a small fraction of those contain any morphine whatever. I am not aware that that has increased.

MR. BOUTELL. In what localities have the tablet sales increased?

MR. SCHIEFFELIN. I have no information about that.

MR. DALZELL. What is cannabis?

MR. SCHIEFFELIN. Cannabis is what is called Indian hemp, or hasheesh. It is used only to a slight extent in this country; but I heard to-day from Dr. Billings, with whom I breakfasted, that in the Syrian colony in New York there is a demand for it, and they get their supply of hemp. It is used in the same way that smoking opium is used. The evil of that is minute, but it ought to be included in the bill.

MR. CLARK. How do they use it? Do they chew it, or how do they use it?

Mr. SCHIEFFELIN. They smoke it, I think.

Mr. CLARK. Hasheesh?

Mr. SCHIEFFELIN. Yes, sir.

Mr. CLARK. Do not most of these cough sirups have opium in them?

Mr. SCHIEFFELIN. No, sir. Some of them have heroin, but they are beginning to leave it out. I suppose a good many have a very small amount of opium—possibly not more than one-eighth of a grain of morphine to the fluid ounce.

Mr. HILL. How would you suggest that the seller, yourself, the licensed dealer, should be protected, and at the same time stop the selling of it to unlicensed people? In what way could that be done?

Mr. SCHIEFFELIN. By inserting the word "knowingly" in section 6, after the words "person who," so that it will read, "who knowingly purchases, receives, or sells, transfers," and so forth.

The CHAIRMAN. That would enable every man to go ahead blindly and not make any inquiry.

Mr. DALZELL. That is suggested by Mr. Hamilton Wright.

Mr. SCHIEFFELIN. I was speaking of section 6. That, coupled with my suggestion about section 4, would safeguard the wholesaler.

Mr. HILL. Why would it not be safer to have the internal-revenue commissioner required to furnish all licensed purchasers with an annual list of licenses, and then only allow those found on that list to purchase.

Mr. SCHIEFFELIN. There are about 44,000 retailers. Of course that ought to be done, but the other ought not to be left undone—that a licensed man should have his license number and have a rubber stamp and stamp that on his order, and that should be the evidence of the wholesaler.

Mr. CLARK. Mr. Chairman, I would like to ask you a question. What objection have you to the word "knowingly" in there?

The CHAIRMAN. I think it would interfere with the enforcement of section 4.

Mr. CLARK. You can not punish a man for doing a thing in his own home.

The CHAIRMAN. As Mr. Hill suggests, it should be punished by the internal-revenue commissioner, and if they wanted to sell to persons whose names were on that list, they could produce their certificate from the internal-revenue commissioner that they had paid their tax. It would complicate matters if they did not fortify themselves in that way and other people were selling the stuff.

Mr. SCHIEFFELIN. With these 44,000 licensed retailers the licenses are not all taken out on the same day, and that list would be changing constantly, and it could not be issued as often as it changed.

The CHAIRMAN. If that was put in, they could go in and buy of anybody that came along.

Mr. CLARK. You are not going to try to make it a crime for a fellow to buy opium, are you?

The CHAIRMAN. But they could buy of anybody, without any inquiry as to whether the man had a license or not.

Mr. CLARK. Suppose a man came along with moonshine whisky and you wanted a drink and you bought a drink from him. You would not be guilty of any wrong in that, would you?

The CHAIRMAN. You might just as well drop out the section as to do that. If the section is wrong, that is another question.

Mr. WRIGHT. May I suggest, Mr. Chairman, that in your bill of February 9, 1909, the word "knowingly" was put in that bill. At that time the restriction on the importation of opium being so severe and it being a new measure, Mr. Root, in drafting this bill, thought it was better to use the word "knowingly" for a while anyway, and the idea was that if it was found that the bill was ineffective as a result of that, the word could be stricken out later. The original bill (H. R. 25241), as drafted with the Commissioner of Internal Revenue, did not have that word "knowingly;" but in talking with Mr. West, of the Wholesale Druggists' Association legislative committee, he made the plea that that penalty is very severe and that it might involve his own and any other firm badly if a slip was made by a clerk; and I wrote to the committee, I think, did I not, suggesting that that word "knowingly" should be put in?

The CLERK. That is right.

Mr. WRIGHT. Temporarily, anyway, until it could be seen whether it was worth while to strike it out.

The CHAIRMAN. It seems to me that we might as well leave the whole section out temporarily.

Mr. HARRISON. In any crime or misdemeanor does not the law impute knowledge to the person who is guilty? What is the use of expressing it in the statute? Is not that a question of law?

Mr. HILL. Your suggestion is that every licensee should have a stamp and a number, and that it should be a crime to fill any order that did not bear upon its face that licensee's stamp and number?

Mr. SCHIEFFELIN. Yes; that would help matters. But when you have 10,000 customers and your orders are filled by young clerks, it is not impossible that even then some slip might be made; and that is the reason I rather hope that the penalty might be left to the discretion of the judge, and not leave it, as this act seems to leave it, so that even for a technical violation or an accidental violation the minimum fine would have to be imposed. Five hundred dollars is a good deal of money.

Mr. CLARK. Do you not think it would be a great improvement on things if the doctors were required to write their prescriptions in plain ordinary English?

Mr. SCHIEFFELIN. That is another story.

Mr. CLARK. Well, I know, but I just wanted your opinion as an expert chemist about that.

Mr. SCHIEFFELIN. I think it would be a good thing.

Mr. CLARK. That is all.

**STATEMENT OF DR. CHRISTOPHER KOCH, VICE PRESIDENT
STATE PHARMACEUTICAL EXAMINING BOARD OF PENN-
SYLVANIA, CHAIRMAN LEGISLATIVE COMMITTEE PHILA-
DELPHIA ASSOCIATION OF RETAIL DRUGGISTS.**

Dr. KOCH. Mr. Chairman and gentlemen of the committee, I have with me a collection of dope, consisting of cocaine, opium, opium layouts, and various cures that we seized in the recent crusade that was carried on in the State of Pennsylvania—and more particularly in the city of Philadelphia.

I might say that I happen to be the vice president of the State Pharmaceutical Examining Board of Pennsylvania which has conducted during the last year a crusade, particularly in the city of Philadelphia, to wipe out the illegal sale of cocaine and morphine. If it is the pleasure of the committee, I would like to show these exhibits.

The question of narcotics is one that is very little understood by the layman. I, personally, am entirely in accord with Dr. Hamilton Wright, and the result of my investigation has proved absolutely the facts which he brings forth in his report.

I will hurriedly go over a few of these facts. In the decade from 1860 to 1869 the importation of opium to the United States was 1,425,196 pounds; in the decade from 1900 to 1909 the importation was 6,435,623 pounds. The increase in population during that time was 133 per cent. The increase in the consumption of opium was 351 per cent. In other words, the consumption of opium increased almost three times as rapidly as the population.

The CHAIRMAN. Is that for all purposes?

Dr. KOCH. For all purposes.

The CHAIRMAN. Medicinal and otherwise?

Dr. KOCH. Medicinal and otherwise; yes, sir.

The CHAIRMAN. Was not the use of opium in the decade you first spoke of, from 1860 to 1869—

Dr. KOCH. For all purposes.

The CHAIRMAN (continuing). Was it not less known, less used, much less, than it is at the present time?

Dr. KOCH. Yes, sir.

The CHAIRMAN. Have you any comparison with the decade immediately preceding this present decade?

Dr. KOCH. No; I have not. You will find that in Dr. Hamilton Wright's report.

The CHAIRMAN. I think we can take it as a general proposition that the use of opium has increased greatly, and especially for what you might call illegitimate purposes.

Dr. KOCH. There is no doubt about that, Mr. Chairman.

The CHAIRMAN. There is no doubt about that question.

Dr. KOCH. There are in the United States, according to Dr. Hamilton Wright, about 120,000 Chinese, and 35 per cent of the Chinese consume about 100,000 pounds of smoking opium. There is absolutely no legitimate use for smoking opium. The only thing it is used for is smoking. There are also 150,000 Americans in the United States who smoke opium, and they consume about 68,000 pounds of smoking opium annually.

Mr. NEEDHAM. How do you get those figures, that there are 150,000 whites who smoke opium?

Dr. KOCH. There are 120,000 Chinese in the United States, and 35 per cent of those Chinese, or about 42,000, I think, smoke opium. They smoke 100,000 pounds.

Mr. NEEDHAM. I refer to the whites.

Dr. KOCH. There are about 150,000 Americans who smoke opium, and they consume about 68,000 pounds.

Mr. NEEDHAM. But how do you learn that?

Dr. KOCH. Dr. Wright has visited all of the large cities in the United States, and he has visited all the institutions and gone through the Chinatowns and the penal institutions, and by a process of deduction

he gets those figures. That is gone into in great detail in his report. My experience proves that those figures are correct. In the Chinatown in the city of Philadelphia there are enormous quantities of opium consumed, and it is quite common, gentlemen, for these Chinese or "Chinks," as they are called, to have as a concubine a white woman. There is one particular house where I would say there are 20 white women living with Chinamen as their common-law wives. The Chinamen require these women to do no work, and they do nothing at all but smoke opium day and night. A great many of the girls are girls of family, and the history of some of them is very pathetic. You will find those girls in their younger days went out with sporty boys, and they got to drinking. The next step was cigarettes. Then they go to the Chinese restaurants, and after they go there a couple of times and get a drink in them they want to "hit the pipe." They do it either out of curiosity or pure devilishness. These drugs are all very seductive—cocaine even more so than opium. Finally they find that the pipe fails to satisfy them and they take to morphine or laudanum. They go down a step further and then learn the use of the hypodermic syringe. After that they get drowsy or melancholy and they want something to brace them up and regenerate them. That is where cocaine comes in. Cocaine produces an intense exhilaration, while morphine is just the opposite.

Italy, with a population of 33,000,000, consumes about 6,000 pounds of opium annually. Austria, with a population of 46,000,000, consumes between three and four thousand pounds annually. Germany, with a population of 60,000,000, consumes about 17,000 pounds annually. Holland, with a population of 6,000,000, consumes 3,000 pounds annually. Adding up the population of these four countries, we have one hundred and forty-five millions of people in those four countries, and they use about 30,000 pounds of opium.

MR. CLARK. What is that last figure? Do you say one hundred and forty-five thousand millions?

DR. KOCH. One hundred and forty-five millions, I should say, using 30,000 pounds of opium. The United States, with a population of about 91,000,000, used last year 400,000 pounds of opium, which is more than 13 times as much as was used by the combined population of those other countries.

MR. DALZELL. In those other countries is the consumption legitimate?

DR. KOCH. It is legitimate; yes, sir. They have drastic laws which make it impossible to buy these drugs except on the prescription of a physician. It has been estimated that of the 400,000 pounds of opium which we import 25 per cent is all that is used legitimately. In other words, 300,000 pounds of opium are used illegitimately every year. Eighty per cent of these 400,000 pounds of opium is manufactured into morphine, and 75 per cent of all of the morphine that is manufactured is consumed by "dopes."

Now, we come to cocaine. Cocaine is a drug which has only been known about 20 or 25 years. During that time the manufacture has risen from nothing to 150,000 ounces every year. It has been estimated that 90 per cent or 135,000 ounces of cocaine goes to make "fiends" out of human beings. Ninety per cent of it, gentlemen!

MR. HARRISON. Is this stuff that they call "Coca Cola" a preparation of cocaine?

Dr. KOCH. Coco Cola is a soda drink, made from coca leaves, and the manufacturers claim that they use the leaves after the cocaine has been extracted. I might add that cocaine is an alkaloid derived from the coca leaves.

Mr. HARRISON. Do you believe the manufacturers are correct in that statement?

Dr. KOCH. I do not know. The Department of Agriculture now has a case pending against Coco Cola, but I believe that they only allege that it contains caffeine. There has been no charge brought against it as containing cocaine.

Mr. LONGWORTH. Do you find that the consumption of cocaine has increased most rapidly among the white people or the colored people?

Dr. KOCH. It depends on the locality. The colored race in the South, I have reason to believe, is very much perverted by cocaine. Dr. Hamilton Wright is my authority for stating that down on the plantations they lace the liquor with it. A great many of the crimes that are committed in Pennsylvania (and from information received from other States, a great many of the crimes committed there as well) are traced directly to cocaine.

Mr. LONGWORTH. Is not that true more as to the colored population?

Dr. KOCH. Yes, sir; the colored population in Philadelphia is full of it, or was. We have cleaned it up. The colored people seem to have a weakness for it. It is a very seductive drug, and it produces extense exhilaration. Persons under the influence of it believe they are millionaires. They have an exaggerated ego. They imagine they can lift this building, if they want to, or can do anything they want to. They have no regard for right or wrong. It produces a kind of temporary insanity. They would just as leave rape a woman as anything else and a great many of the southern rape cases have been traced to cocaine.

Mr. LONGWORTH. I do not speak from personal knowledge, but I have been told that in Cincinnati, where I live, the consumption of cocaine is increasing enormously among the colored people.

Dr. KOCH. I believe that.

Mr. LONGWORTH. And that it is practically confined to them.

Dr. KOCH. It is not confined to the colored race entirely. Lots of white people use it, too. I am sorry to say that lots of professional people use it—people who ought to know better.

Mr. LONGWORTH. What do you mean by professional people?

Dr. KOCH. I mean lawyers, physicians—physicians principally—and some pharmacists and trained nurses.

Mr. DALZELL. In what shape do they take it?

Dr. KOCH. Cocaine?

Mr. DALZELL. Yes.

Dr. KOCH. I will show you in a moment.

Mr. CLARK. The colored people snuff it up their noses?

Dr. KOCH. That is right, Mr. Clark. There [indicating] is some cocaine that we seized in a raid in Philadelphia. The way they use the cocaine—the colored people and other people—is this: They have a little lid or something, and they have a little blunt instrument. They put one or two of the crystals like these [indicating] in the lid, and they break it up with what they call the “crusher.” They grind it up to a powder. A good many of them will use a blower. They

simply put the powder in a glass tube, put the tube up the nose, stick this rubber tube in the mouth, and blow it up their nostril [illustrating]. Some will use the tube without the rubber and just sniff it up the nose in that way [illustrating]. Some of them will put it on the back of the hand and sniff it up in that way [illustrating].

Mr. LONGWORTH. Do they not also use it in liquid form?

Dr. KOCH. Cocaine? I do not know of any one using cocaine in liquid form. I never heard tell of it. They may.

Mr. CLARK. They take it in powdered form. I know all about it in the town I live in. If you give one of them a dime's worth of cocaine, it makes him crazy as a bedbug.

Dr. KOCH. That is what it does, Mr. Clark. It has been estimated that 6 per cent of all the persons entering our penal institutions are addicted to some kind of a dope habit, in the way of morphine, cocaine, or the opium pipe.

Mr. CLARK. We have a law out in Missouri that puts an end to that. We fine them \$100 once or twice and send them to jail, and they quit selling it.

Dr. KOCH. There is a certain retail druggist in St. Louis who disposes of about 200 ounces a month.

Mr. CLARK. They will get him, too.

Dr. KOCH. They ought to get him. Forty-five to 48 per cent of all criminals are dopes. That is almost 50 per cent. 21.6 per cent of lewd women are dopes; 2.06 per cent of the medical profession are dopes; 1.32 per cent of trained nurses are dopes; 0.684 of other professions and 0.16 per cent of other adults are dopes.

Mr. LONGWORTH. Why trained nurses? What is the point in that?

Dr. KOCH. I think the professional people who use these drugs use them when they are run down and have a lot of work to do. They take drugs to either suppress nervousness or brace them up. They take morphine to quiet them, and they take cocaine to brace them up. It seems strange, but nevertheless it is true, that the people who know most about it fall for these things themselves.

Mr. DALZELL. Are the effects of cocaine, the immediate effects, lasting for any length of time?

Dr. KOCH. It would depend on the length of time the individual has taken it. When a person first starts to take it, the effects are much more lasting. After the system becomes used to it the doses become larger and are repeated at very much shorter intervals. We arrested a man in Philadelphia who, in a sworn statement, stated that he took one ounce of cocaine in three days. The average dose in a prescription would be a quarter or half a grain, and there are about 437 grains in an ounce, so you can see the enormous quantities that they can consume.

Mr. HILL. How long would that man live, continuing that?

Dr. KOCH. This fellow is about 25 years of age, I should think. I would say that he would not live more than five or six years if he kept it up at that rate. In the city of Philadelphia it became my duty, as a member of the pharmacy board, to investigate this traffic, and some of the things we discovered there, gentlemen, were horrible.

Along about a year ago one of our detectives, Joseph Di Giovanni, came to me and said: "Doctor, here is some cocaine that I bought." I said, "Where did you get it, Joe." He told me a certain address on Lombard Street. "Well," I said, "Go down and shadow the

place and see what you can get." He reported to me the next day, and he brought me another package, and he said, "That place is frequented by young boys and girls." I said, "Watch it." Well, he watched it for a few days longer, and this is what we discovered: We would find groups of five or six youngsters ranging from 12 to 16 years of age coming up Eleventh Street to the corner of a little street known as Naudain Street. One of the number, just one, would go down Naudain Street and go into this place, No. 1014 Lombard Street. The entrance was from the rear. There was a long alleyway, and at the head of the alleyway there was a door. The door had a wire grating over its upper half, and on coming up to the door you pressed a little electric button. Instead of the door opening, they would let down a panel of it, which was hinged on the inside, and a colored man would stick his face out. If he knew you, you handed in your money and got your dope. If he did not know you, he would kick you out. We found that this place was frequented by possibly 30 or 40 of these youngsters, a good many of them Italians, and boys supposed to be attending school. The condition was so horrible that we resolved to break the practice up at any cost. Our board has no State appropriation, and I went to one of the leading attorneys in Philadelphia, Samuel M. Clement, jr., and explained the situation to him. He was so shocked he immediately volunteered his services. Through the aid of Mr. Clement we secured the cooperation of Director of Public Safety Henry Clay who placed city detectives at our disposal. Upon further investigation we found that this "hell hole" was absolutely as I have stated. These school children were taking this terrible drug and ruining their lives. The newspapers made quite a hurrah about it, and said that we were faking it.

Gentlemen, we had the proprietors of that place in court in about 10 days, and we had the goods in court. We had six of these school children in court, and they were so small you could barely see their heads over the witness box. We convicted the two negroes and they were sentenced to three years in prison.

Now, gentlemen, here is a jar of cocaine [indicating] that we seized there. Here is a bag containing the cocaine in the way in which they sold it, in these little packages [indicating]. We seized over 1,000 of these packages. These youngsters would buy these packages at 10 cents apiece.

MR. LONGWORTH. How much is there in there?

DR. KOCH. One or two grains. These boys would steal the money to buy it. After they get the "habit" they must have it, and these little kids were petty thieves. They would steal the money from their mothers' pocketbooks; and around in that section I found on investigation real-estate men were missing a lot of lead pipe, brass corks, etc., from vacant houses. The theft of these was traced to these boys. They would steal these things to get the money to buy "coke."

As these boys get older the habit grows stronger, and they have to have more "coke." They will not work. Their crimes become greater, and these are the fellows that eventually wind up as desperate criminals—the man who shoots to kill if discovered in his robberies.

THE CHAIRMAN. Do you think there is any cure for the habit, as there is supposed to be for alcoholism?

Mr. KOCH. In my judgment, there is very little hope for them. You can cure them if you remove the drug and keep them where they can not get it; but as soon as you remove the restraint, cocaine being so seductive and having such a strong hold on them, they go right back to it.

There was another place in the city of Philadelphia known as Blake's place, where a man Blake lived with a blond woman. This woman, about a year before we arrested her, was a woman weighing, I should say, about 160 or 165 pounds. She acquired the habit, and at the end of one year she was a wreck. The man, a fellow about 25 years of age, was the same way. He had been an opium smoker, and from that he drifted to morphine and finally to cocaine. This fellow was very methodical and kept books, and in his books we find every day his entry of sales of cocaine. Gentlemen, mark you, this is a secret practice. Drug habits are all secret vices. Everything connected with it is done in secrecy, and see how careful they are, so as not to get caught. They sold it only to persons whom they knew or who were vouched for by somebody that was "all right." Every time he sold it he would mark down the name of the person who bought it. He has here: "Tot, 50 cents; Tick, 50 cents; Emma, \$1; Turk, 25 cents; Buck, 40 cents; Pete, 40 cents," and so on down the line. This fellow had a number of these books, and here is a scale [indicating] that we took from him, on which he weighed the stuff.

Mr. HILL. What are those rubbers?

Dr. KOCH. These rubbers, we also got there. These are blowers. They use these for sniffing the cocaine.

Mr. NEEDHAM. Are those blowers used for any other purpose?

Dr. KOCH. That is the only purpose they are used for. They have been used in the administration of a catarrh powder.

Mr. NEEDHAM. Can you not get at the manufacturers of those?

Dr. KOCH. As I understand, the Federal laws can not prohibit anything, but can only regulate it. Our State laws can and do prohibit the sale of cocaine, but not these blowers.

Mr. HILL. Who makes the blowers?

Dr. KOCH. They are a very simple thing. They only consist of a piece of rubber tubing, fastened to a piece of glass tubing. Anybody can make them. The rubber tube you can buy at any rubber store, and the glass tube you can buy at any store where they sell chemical supplies. You can buy an innocent tube fitting for a nursing bottle, take the nipple off, and there you have the whole thing. Here [indicating] is some catarrh powder that we seized at this place. It contains 8 grains of cocaine to the ounce. Under the Federal law you can not prohibit the manufacture of this, but the State law can. The Federal law can regulate its sale by such a bill as is proposed by my friend, Dr. Wright.

Mr. DALZELL. Does that contain on the package a statement——

Dr. KOCH. A statement that it contains 8 grains of cocaine to the ounce.

Here is something else that we got at Blake's place [indicating]. This is an opium layout, gentlemen. I do not know whether you have ever seen one. [Laughter]. I think it might be interesting. Now, if it is your pleasure, I will show you how they use this [indicating opium pipe]. I will not smoke it, but I will show you how it is done. This little lamp is lit here [indicating]. By the way, it takes two to

smoke, the "smoker" and the "cook." Usually there is a woman on one side and a man on the other (in Chinatown a white woman on one side with a "Chink" on the other side). They lie on a bunk about as long as this table. The Chinaman never stretches himself. They sleep on these bunks. They do not have any bedclothes. They have, generally, simply a board with a cane covering. They take a small portion of the "hop," as they call it, and put it on the point of this hook, which is called the "yen hok." They take a portion about the size of a small pea, and they very dexterously cook it over the lamp [illustrating]. They rotate it and the heat of the lamp swells it to the size of a cherry. When it has attained the proper consistency they take the bowl of the pipe and hold it over the lamp, and work it in this small aperture in the bowl [indicating].

When they have it worked in so that there is merely a little ridge around the top, still keeping it in the flame, the smoker on the other side puts this end of the pipe in his mouth and takes about 10 or 15 long puffs. It is all over in 10 or 15 seconds. They inhale and swallow the smoke.

The extent of a man's habit is regulated by the number of pills he smokes. A moderate smoker will smoke maybe 5 or 10 or 15 pills. A smoker with a bad habit will smoke 50 or 100 pills.

Mr. FORDNEY. In what length of time?

Dr. KOCH. Well, he will take his time; and inveterate smokers will smoke maybe four or five hours. The common belief is that opium makes them sleep. At first it does, but after they acquire the habit it does not. A confirmed opium smoker gets no pleasant effect from the drug. It is merely the want of the drug that affects him. When he has not got the drug, that is when he feels bad.

Mr. CLARK. Does it not create a kind of intoxication?

Dr. KOCH. No, sir.

Mr. CLARK. What does he smoke it for, then?

Dr. KOCH. Because they have what they call their "habit," and they must satisfy it. It becomes like food to them. When they want to smoke they will get up and stretch and work around in this way [illustrating]. That is the way you can tell their habit is coming on them. Opium and morphine are very much the worst drugs for the individual. Cocaine is the worst drug so far as society is concerned. A man under the influence of cocaine is a dangerous man. At the time of Blake's arrest we seized over 1,000 of these empty bottles [indicating]. There was a whole loft full.

Mr. FORDNEY. That is the catarrh powder?

Dr. KOCH. That is the catarrh powder; yes, sir. In another place we served a warrant on a little bit of a negro wench who weighed less than 100 pounds. The detective read the warrant and she said: "All right, I will go along with you." She was lying in bed, with her clothes on, and she got out of bed, as he thought, and in getting up she pulled this knife [indicating] from under the pillow. She was just about to stab him in his groin, and if it had not been that there were two of them she would have stuck it in him. She was "junked up" with "coke." There was a tussle. She bit one detective on the thumb and the other one she bit on the arm, right through his clothes.

I have here various other implements that we seized [indicating].

Mr. HILL. This powder is taken through the nose, you say?

Dr. KOCH. It is taken through the nose; yes, sir.

Mr. DALZELL. I see by the label that this is made in New York.

Dr. KOCH. That is not made in Pennsylvania. We will take care of that. Cocaine is largely sold by peddlers. The peddler goes around and usually carries it in cigarette boxes or match boxes. Here is one that we got in a cigar case [indicating]. Here are more cigarette boxes [indicating]. These fellows go around through the Tenderloin and peddle it to anybody that wants it. They have it in little packages, the same as I showed you, which they sell at 10 cents a package. The fellow that peddles it, in turn gets it from a fellow who buys it from another fellow in about one dram to half ounce or ounce lots. The fellow that gets it in dram to half ounce or ounce lots buys it from a third fellow who buys in anywhere from 1 to 5 ounce lots, and he in turn gets it from the druggist. In Philadelphia there are less than 1 per cent of the druggists that dealt in the stuff. A few druggists in the Tenderloin have the monopoly, and they get it from the wholesale druggists.

The sale from the manufacturer to the wholesale druggist, and from the wholesale druggist to the retail druggist, is legitimate. We can trace that by the records furnished us; but after it reached the druggist we were stuck. So we set up in the cocaine business ourselves. We rented a room in the Tenderloin, got a couple of "cokers," and kept them a couple of months. We fed them anything they wanted. We "loosened up." If they wanted a quarter we gave it to them. If they wanted "coke" we gave it to them. First we got the users coming around. From them we worked up to the peddler; from peddler to the small dealer; from there to the larger dealer; and then to the wholesale illegitimate dealer; and there we were stuck again. On the 28th of March we turned over to the police department 58 warrants. We had warrants for all these fellows, including about 10 large wholesale illegitimate dealers. We knew these fellows were buying the stuff, but we could not connect them with the druggist. We arrested them, and held them for a further hearing 30 days later, and they were sent to the county prison. After they had been there 8 or 10 days, and realized that 2 or 3 years' imprisonment stared them in the face, they sent for me. I saw them, and they were willing to make statements.

We brought them up to Mr. Clement's office one at a time, and we took their statements. Those are a bunch of the statements [indicating]. Ordinarily I would not believe the word of a dope fiend, but here we had statements from all the large dope dealers. Gentlemen, strange to say, every one of their statements interlocked. As the result of those statements we got the druggists, and we took them into court and convicted them. Out of about 75 cases we lost only 2. One of them we deserved to lose, and the other was a miscarriage of justice.

Mr. BOUTELL. What is the actual value of the stuff they sold for 10 cents.

Dr. KOCH. It costs about \$3.50 or \$3.75 an ounce. From these statements we learned that these fellows who had access to these few druggists paid at the rate of \$6 and \$8 an ounce for it to the druggist. In other words, the druggist would buy it for \$3.50 and sell it to these other fellows for from \$6 to \$8. They, in turn, would average from \$25 to \$40 profit on an ounce, the 10-cent package costing them 1 or 2 cents.

Mr. DALZELL. Where is it made?

Dr. KOCH. It is made by about five or six large chemical concerns in the United States.

Mr. LONGWORTH. That is to say the pure cocaine in crystals?

Dr. KOCH. Yes; the leaves are grown in South America. The drug is usually worked up in South America in a crude state, and then it is sent to this country to be purified.

Mr. HILL. Of course, it has a legitimate use?

Dr. KOCH. It has a legitimate use; yes, sir. It is used almost entirely in minor surgery as a local anæsthetic.

We found by these statements that there was one druggist in Philadelphia who would sell to one of these poor unfortunate dopes at one sale \$100 worth of cocaine every Saturday, and we found that this druggist, who had most of these dopes as customers, had an agent on the street who did nothing but solicit orders from these dope dealers. We found there was another druggist that would buy morphine in 100-ounce lots every month. He would contract every three months for 100 ounces of morphine a month. That store in the Tenderloin would sell from 12 o'clock midnight until 5 o'clock in the morning about 5 ounces of morphine, and an ounce of morphine will last an ordinary druggist three or four months. An ounce of cocaine will last the average druggist over one year. That statement is based on the records of the reports made to us by wholesale dealers and manufacturers in the State of Pennsylvania, and I think Dr. Schieffelin will bear me out in that.

Mr. CLARK. How much would the average dentist use in a month?

Dr. KOCH. The average dentist does not use it. Very few of them use it any more.

Mr. CLARK. What do they use?

Dr. KOCH. They do not use cocaine. They are getting away from it. They claim that they get sloughing of the gums. Most of the dentists will not inject anything into the gum any more. Some dentists who advertise—those dentists who advertise extensively—use large quantities of cocaine.

Mr. CLARK. Is there any other kind of drug that they can use?

Dr. KOCH. There is eucaine and stovaine and two or three others.

We also found, gentlemen, in the city of Philadelphia, that the inspector of drugs for the port of Philadelphia—that is, the United States inspector of drugs—was dealing in cocaine on the side. He had access to a large manufacturing house, and he would go there and buy the stuff and then turn it over to these dopes. He would buy 20 ounces at a time at the wholesale price of \$2.50 an ounce, and he would turn it right over to another fellow who would wait for him on the outside at \$6 an ounce.

Mr. HARRISON. Was he committing any crime?

Dr. KOCH. We think he was. We have had him arrested.

Mr. HARRISON. How recently was he arrested?

Dr. KOCH. In April—I think the 7th or 8th day of April.

Mr. HARRISON. What is his name?

Dr. KOCH. Benjamin P. Ashmead.

Mr. CLARK. This fellow that buys that two or three hundred ounces, or whatever it was, he would take it around and peddle it out?

Dr. KOCH. The one I had reference to in St. Louis?

Mr. CLARK. No; the one that bought so much every Saturday.

Dr. KOCH. He would peddle it out; yes, sir. He bought \$100 at a time.

Mr. CLARK. Is there not any way to catch him?

Dr. KOCH. We got him, and it was after arresting him that we found out who the druggist was. We got him, too, and convicted him; and he was sentenced to one year, and one of his clerks was sentenced to four months.

Mr. HARRISON. Was this inspector of drugs a State official or a Federal official?

Dr. KOCH. He was a Federal official. He, by the way, is a dope. He has been smoking opium for eight or nine years, and he associated in one of the worst dives I have ever heard tell of. It was so low and so vile that even the habitués of the Tenderloin were afraid to go there.

Mr. HARRISON. How long has he been inspector?

Dr. KOCH. That I could not tell you, but I think it has been between three and five years; but I am not sure.

Mr. BOUTELL. Was he a civil-service appointee?

Dr. KOCH. I think he was; yes, sir. I believe it was a civil-service appointment, and that is the reason he has not been dismissed. He can not be dismissed until he is convicted. We are going to get him into court, although he thinks we are not.

Mr. DALZELL. Is he still serving as inspector?

Dr. KOCH. Yes; I believe he is protected by the civil service.

Mr. HARRISON. Is he out on bail?

Dr. KOCH. Yes, sir; he is out on bail. We have had that case called and set for trial three times. His friends are moving heaven and earth to save him, and each time his attorneys have asked for a continuance. The first time they placed him in the hospital the night before, and said he was sick. The district attorney, Samuel P. Rotan, a very efficient official who is very much interested in these cases and to whose cooperation much of our success is due, sent a physician to examine him, and the physician reported back that in his opinion he was able to stand trial, and the next morning we had him in court. One of his attorneys, however, was engaged in another court and the judge granted a continuance.

Mr. HARRISON. Has he been indicted?

Dr. KOCH. Yes, sir.

Mr. HARRISON. Under the State or the Federal law?

Dr. KOCH. Under the State law.

Mr. HARRISON. You are speaking of the district attorney of the county of New York?

Dr. KOCH. Of Philadelphia.

Mr. HARRISON. I thought you said this was a New York man.

Dr. KOCH. No; we have no jurisdiction in New York. We can not go outside of our own State.

Mr. HARRISON. Were the offenses committed in New York?

Dr. KOCH. The offenses were committed in Pennsylvania, in the county of Philadelphia.

Mr. CLARK. How long have the people been using cocaine?

Dr. KOCH. How long?

Mr. CLARK. Yes.

Dr. KOCH. How long had he been using cocaine?

Mr. CLARK. No; how long has this cocaine business been going on? How long have the people been using it?

Dr. KOCH. It was discovered about 20 years ago and the abuse of it started almost as early as its discovery. It has been 20 years, or something less. It is essentially an American vice—the cocaine habit. They do not have it in foreign countries.

Mr. CLARK. Does cocaine have any bad effects on the mucous membrane of the nose?

Dr. KOCH. Does it have any local effect on the membrane, do you mean?

Mr. CLARK. Yes.

Dr. KOCH. It does not seem to; no, sir. It has a deadening effect. It has an anesthetic effect, you know; but no after effect. It does not destroy the mucous membrane.

Now, gentlemen, those are some of the conditions that we found in the abuse of these drugs. In Pennsylvania we have a cocaine law.

By the way, I want to show you a few hypodermic syringes that we took from these fellows. There is a choice collection here of all kinds of hypodermic syringes [indicating], and I might show you how some of these fellows use them. The fellow who used this syringe was a man by the name of "Dory Rose." This is broken, but I will demonstrate with it. He had a dirty old silver spoon that he would use. He had this dirty, filthy bottle [indicating]. He would put the morphine in the bottle and melt it with the heat of a match and then pour it into the spoon and suck it up with the syringe from the spoon. Then he would jab this needle right through his coat into his arm. That fellow's body was one mass of small holes and running sores. These fellows who used these needles have absolutely no knowledge of antiseptis, and they get running sores all over their bodies.

This particular place that Ashmead frequented had what they called "hypo parties." There would be eight or nine mixed couples. They were all dopes, and they all used the needle. They would go through all sorts of orgies, and at a given time they would throw up their legs and all "take a shot" from their hypodermic syringe.

Mr. CLARK. If you were to take one of those dope fiends and lock him up, what would happen then?

Dr. KOCH. With cocaine you can cut it off abruptly. The dope fiend will be in misery for a few days, but there will be no bad effects. With morphine or opium the consensus of opinion is that you have to reduce it gradually. They use the reduction system in treating it. Here [indicating] is a bottle of so-called morphine cure. It contains nothing but morphine. [Laughter.] There are a number of these that were exposed by Dr. Wiley and the American Medical Association, and this is one that we got in Pennsylvania.

This is the way they sold morphine [indicating]. Morphine was sold in these stores without any label. It contained no poison label, and it was sold indiscriminately. Anybody could buy it that had the price.

We thought in the city of Philadelphia, and in the State of Pennsylvania, that we could break up his traffic. We cleaned it out of the city of Philadelphia, but as soon as we cleaned it out in Philadelphia they started bringing it in from Camden, New York, and Trenton. They would have runners who did nothing but go from one State to the other. The system of reports that we have in Pennsylvania makes it necessary for the manufacturer to report his sales. These

are some of the reports [indicating], and some of the revelations in these reports should indicate to you the necessity for an interstate law. We find that men in States such as Georgia, North Carolina, South Carolina, Missouri, Ohio, and a few others, are buying cocaine in Pennsylvania in large quantities. There is a certain doctor in the city of Mount Gilead, Ohio, who buys every month from one of our manufacturers 256 ounces of cocaine. Some months he bought 384 ounces and in several other months 512 ounces. Remember, gentlemen, the average consumption of cocaine is less than 1 ounce per year per druggist. This man is a doctor. What does he do with it? I do not know.

We find in the city of St. Louis, Mo., a little bit of a druggist, not even rated in Dun or Bradstreet, buying 200 ounces of cocaine a month. In the city of Augusta, Ga., a number of druggists are buying 20, 25, and 50 ounces, and some 100 ounces every month. What are we to do in Pennsylvania? We are powerless. We can not do anything. We find manufacturers and jobbers are sending it into our State from New York. There is a large manufacturing concern that does business all over the United States that has agents in Pennsylvania selling cocaine along with other drugs. Their agents make the statement, "Buy your cocaine from us. It is not reported to the State board. The State board does not know anything about it." That concern is one of the largest in the world, and we have asked them to give us reports. They say: "We do not have to make reports to you people. We do not do business in Pennsylvania. Our goods are billed from New York office." We are powerless. That concern supplies a good deal of the cocaine that goes wrong in our State, and there is no way of reaching people of that kind except by an interstate law.

I have here several letters. I have one letter mailed to a man in Atlantic City, N. J., trying to work up a cocaine business in another State—sending it from one State to the other. Here is another letter from a concern in St. Louis, Mo., soliciting orders for morphine—and this letter, gentlemen, was sent to an inmate of the Norristown Insane Asylum, at Norristown, Pa., who was there as a result of the drug habit. These sharks follow their victims to the grave. They sent this letter to this poor unfortunate still soliciting orders for morphine. That is interstate, and we can not touch it.

Now, gentlemen, I think I have shown you that this is a secret and a vile habit, and that the only way to eradicate it is to eliminate the secrecy. There is no better way of eliminating the secrecy than by turning on the limelight. This bill before you is the way to do it. My friend Dr. Schieffelin says we ought to have the word "knowingly" in there. Gentlemen, that would be a mistake. The jury always gives the defendant the benefit of the doubt and you would never convict a man when you have the word "knowingly" in there. Just this week in the city of Philadelphia the act that Dr. Hamilton Wright referred to, the opium exclusion act of 1909, the Federal law was brought into play. The Federal authorities arrested a Chinaman for having smuggled opium in his possession. The special agent for the United States Treasury at Philadelphia told me: "I do not think we can hold him. It is absolutely impossible for the Government to prove that this man 'knowingly' had smuggled opium in his possession." The word "knowingly" defeats the entire object of the bill. What we want is a system of reports. It is practical, and it

does not mean very much work, with all respect to Dr. Schieffelin, who says they have 10,000 customers. The average consumption of cocaine is less than 1 ounce per year per druggist.

Dr. SCHIEFFELIN. How about morphine?

Dr. KOCH. Well, the sale of morphine is somewhat greater; but my experience has been that the average sales of morphine will not run over 2 or 3 ounces per druggist per year.

Dr. SCHIEFFELIN. It should not run over that.

Dr. KOCH. No; it should not run over that per customer per year.

Mr. SCHIEFFELIN. But the preparations containing morphine are myriad, and they would all have to be reported.

Dr. KOCH. I would say that there are some preparations that contain so little morphine that those preparations have been taken care of in our State by establishing a minimum—any preparation containing not over 2 grains of opium to the ounce, or one-half grain of morphine, and, I think three-fourths of a grain of codeine. I believe they should be eliminated. I do not think there is enough of the drug in those preparations to create a habit, but I do think those preparations ought to have a stamp on them so that the person that uses them knows what he is using.

ADDITIONAL STATEMENT OF MR. HAMILTON WRIGHT.

Mr. WRIGHT. May I amend that statement of Dr. Koch?

The CHAIRMAN. Certainly.

Mr. WRIGHT. I would like to point out, as is shown by my report, that in this country we are importing over 400,000 pounds of opium, and using it. Over 75 per cent of that opium, gentlemen, is manufactured into morphine, and I have reliable information that from 75 per cent to 90 per cent of that morphine is used outside of legitimate medical channels. If this bill were enacted, I think in the opinion of the leaders of the trade it would reduce our importation of opium into this country 50 to 75 per cent and would reduce the manufacture and trade in these drugs 50 to 75 per cent. In Germany, as I have pointed out in my report, with a population nearly equal to that of the United States, they have a net consumption of 16,000 pounds of opium as against 400,000 pounds in this country; and I have shown in my report that the per capita consumption of all these drugs in this country is equal to the per capita consumption in China. As a matter of fact, we have a per capita consumption of these habit-forming drugs in this country that is equal to the consumption in China before the prohibitory edict went into effect in 1906.

Mr. CLARK. What do you say the consumption should be?

Mr. WRIGHT. I have had an estimate from leading members of the medical profession that 50,000 pounds of opium will suffice for the legitimate needs of the American people; and we are importing and consuming over 400,000 pounds.

Mr. CLARK. That is, 75 per cent now——

Mr. WRIGHT. Seventy-five per cent is used in debauchery. The conditions in this country to-day are just as bad as were found in China when the great opium evil was discovered in 1799; and although a large amount of the use of the morphine is confined to the criminal classes and the lower orders of society, it is creeping into the higher circles of society. The cocaine habit is greatly increasing in the

South. I have most reliable information that the crime of rape in the South is largely due to the cocaine habit. I have it from trial judges and from all sorts of responsible people. It is the common practice of contractors in some of those States to have cocaine distributed among the lower order of their workers, with the idea that it stimulates them, and that they can get more work out of them. I have most reliable evidence that the crime of rape has largely been caused by the use of cocaine among the Negroes in the South in the last 10 or 15 years.

STATEMENT OF DR. CHRISTOPHER KOCH—Resumed.

Dr. KOCH. I want to confirm Mr. Wright's statement by saying that my experience has been precisely the same as his.

Mr. CLARK. I want to ask one of you gentlemen—and it does not matter which—how many States have passed laws to regulate the sale of this stuff?

Dr. KOCH. In the United States there are 45 States that have some law regulating the sale of cocaine. I think there are about 30 or 35—I have forgotten the exact number—that have laws regulating the sale of morphine.

ADDITIONAL STATEMENT OF MR. HAMILTON WRIGHT.

Mr. CLARK. Is it your opinion and the opinion of the gentlemen who just testified, that these criminal laws passed by the various States have diminished the use of these things to any appreciable extent?

Mr. WRIGHT. I do not think so, because where you have a good State law, it is evaded. Take it in the Southern States. There is no cocaine manufactured in the Southern States. It is nearly all manufactured in the Northern States. In nearly every one of the Southern States I find, as a result of correspondence that I have had, that they have passed laws making it a crime to have possession of cocaine and morphine except on a physician's prescription. Those laws are effective as far as the respectable element of the community is concerned, but when you have men who can go to New York and buy 5,000 ounces of cocaine, or 3,000 or 100 ounces and slip down into Georgia and sell it and dispense it surreptitiously throughout the State, throughout the negro camps, you can not control that. It has been broken up, over and over again, up to a certain point. You can control the use of the drugs among the respectable people, but unless there is some interstate law by which the man who buys cocaine in Georgia can be traced, and the people from whom he buys it can be traced under a Federal statute, you will not suppress the use of these drugs in this country. That is the uniform testimony I have had from every State board of pharmacy.

Mr. CLARK. Do you not think that if the prosecuting attorneys could be wakened up on this subject, and enforce all the laws they have now, that they would make some headway?

Mr. WRIGHT. They would; and they have done it.

Mr. CLARK. The reason I asked the doctor about the Missouri law was that up at Kansas City, two or three hundred miles from where I live, they have a cracking good prosecuting attorney. He has been

whacking these so-called druggists that have been selling this, and he has convicted several of them.

Mr. WRIGHT. In St. Louis you have one of the most active prosecutions going on there; but they have the same conditions there that Dr. Koch describes in Philadelphia. They have the same conditions in New York. There is a crusade going on in New Orleans, and in every large city.

Mr. CLARK. What is the reason why it is not as easy for them to break up the illicit sale of these drugs as it is to break up the illicit sale of whisky?

Mr. WRIGHT. Because, as the Internal-Revenue Commissioner said to me, for every moonshine whisky plant that he has to watch there are 10 times as many druggists throughout the country carrying on this illicit business. You asked me at the hearing before, and, as I remember, I stated that 10 per cent of the retail druggists in this country were doing an illicit business.

Mr. CLARK. And they are the very identical fellows that used to carry on this illicit whisky traffic, too.

Mr. WRIGHT. Yes.

Mr. CLARK. And the prosecuting attorneys, where they were worth the powder and lead to kill them, hopped on it and nearly broke it up.

Mr. WRIGHT. These people have a Federal license. They are prosecuted by a Federal officer.

Mr. CLARK. Is it any easier to carry on illicit traffic in these drugs than it is to "bootleg"?

Mr. WRIGHT. Very much easier, sir. You can carry a pound of these drugs on your person without anyone knowing anything about it. The chief commissioner of police in Baltimore told me before he had the so-called Swan ordinance passed that it was impossible to stop the traffic; that they knew these fellows were peddling it about the city, and he had the ordinance passed (which since has been carried up to the Maryland supreme court and as to which they have a favorable decision), making the possession of these drugs, except on a physician's prescription, a crime, and they were able to go and arrest suspects at once and jail them. There is not a State in the country where there are not many cases known. The people who carry on the transactions—the peddlers of the drugs—are known; but unless you make the possession of them, except for proper purposes, a crime under a Federal act of this sort you can not detect and prosecute. I have in the slums of cities seen packages slipped from one person to another, but it can be done secretly.

Mr. CLARK. Is it any easier to peddle this stuff than it is to bootleg whisky?

Mr. WRIGHT. Can you not conceal that (indicating a small package of cocaine) more readily on your person than you could an efficient dose of whisky? [Laughter.]

Mr. CLARK. Still, you might carry four or five bottles of whisky around.

Mr. WRIGHT. This can be put up in packages containing a few grains, just as Dr. Koch showed you, and slipped from hand to hand.

Mr. CLARK. You see, you can not punish people for carrying it around. A man has a right to carry it around in his pocket. But suppose you catch any ordinary citizen with forty or fifty packages of

this stuff in his pocket at one time. Would not that be prima facie evidence that he was peddling?

Mr. WRIGHT. Under some of the new State enactments, yes.

Mr. CLARK. I mean as ordinary common sense.

Mr. WRIGHT. You can not get a conviction on that. You must convict them under the law.

Mr. CLARK. They convicted one of the most prominent citizens in Alabama after they had the whisky law passed. He had four or five barrels of whisky in his possession, and he testified that he got it for his own use.

Mr. WRIGHT. It is a matter of unanimous opinion that where you have a Federal law and the prosecution is carried on by a Federal officer, especially under an internal-revenue statute, you get them almost every time. Referring to Mr. Schieffelin's comment on the penal section of this bill, we found with reference to the opium act as applied to the Philippines, where there was a minimum fine of \$20 or \$25, and where the trial judges imposed it, it was regarded as a license by the smugglers. They paid the \$25, and it was considered as a license to smuggle. They have had to amend that law in the Philippines by putting in a minimum fine of \$500. That has gone a great ways to stamp out smuggling. If you give the judges discretion in regard to fining, it means that they will impose small fines and offenders will regard the fine as a license. They buy this stuff for \$3.50 an ounce and they sell 2 grains for 25 cents. They make from \$50 to \$100 on an ounce on this.

Mr. Schieffelin, as the head of the committee of the National Wholesale Druggists' Association, recommended to the committee last year that a prohibitive duty should be put on cocaine. That was put on by this committee.

The CHAIRMAN. I do not want to interrupt you, but it is a little over 5 minutes of 12 o'clock now. We will have to go to the House. If there is no objection, we will meet here at 2 o'clock this afternoon and go on with the hearing.

Mr. CLARK. Every good citizen wants to break this traffic up. It is only a question of getting at the ways and means of doing it.

(The committee thereupon took a recess until 2 o'clock p. m.)

AFTER RECESS.

STATEMENT OF DR. CHRISTOPHER KOCH—Continued.

The CHAIRMAN. You may proceed, Doctor.

Dr. KOCH. I will be just about three or four minutes, Mr. Payne.

The law of Pennsylvania, as I have said before, requires all manufacturers of cocaine, and wholesale dealers in drugs, to furnish to our state board of pharmacy reports of their sales of cocaine and drugs or preparations containing cocaine, its salts, derivatives, or compounds.

The wisdom of this provision has been demonstrated and we will ask the next legislature to pass a morphine law along the same lines. From information received in this manner we secured evidence against numerous violators of our law, including the Government inspector, Mr. Ashmead. With a knowledge of who buys the drug, we eliminate everyone else and confine our detective work to the men who buy abnormal quantities.

The man who deals in these drugs has learned this, and, aided by unscrupulous manufacturers and wholesalers, he buys these drugs outside of the State, so that the board has no record of his purchases. Common sense tells us it is easier to watch 10 men than 1,100, and their chances of being detected are increased in the same proportion.

Experience tells us how much of these drugs are required for legitimate purposes, and if we have the knowledge of purchase, at time of or shortly after purchase, of unusual quantities, we can run it down and get the evidence.

Many wholesalers and manufacturers, including the house of my friend, Dr. Schieffelin, are making earnest efforts to break up this traffic. I regret, however, that there are others, manufacturers and wholesalers, who will sell these drugs in any quantity to anyone who has money to pay for them. Several of them outside of the State of Pennsylvania refuse to give us any information when we ask for it.

How are we to reach them? Our jurisdiction is confined to the State of Pennsylvania.

Gentlemen, it is the manufacturers and wholesalers, the people higher up, that sell these drugs promiscuously, that we want to reach, and must reach, if we ever hope to break up this traffic. Scotch the snake at its lair.

The poor unfortunate "dope fiend" is more sinned against than sinning. Had the law provided sufficient safeguards around the sale and distribution of these drugs, he would never have acquired such a habit. Had the manufacturer who sells these drugs any conscience, he would make it his business to know to whom he sold them in unusual quantities. Since he won't do it on moral grounds, it becomes the duty of the Government to compel him to do it by law.

Throw on the limelight of publicity such as this act provides. Make every man that handles these drugs responsible for his actions, so that we have a record of the transaction from time of manufacture till it reaches the consumer. Enact this law and I assure you in a short time the sale will so diminish as to not make the detail burdensome to even the largest wholesale houses. To the objection raised by my friend Dr. Schieffelin as to the thousands of proprietary medicines affected, I reply if they contain more than the amounts of opium, morphine, codeine, or other derivatives I mentioned this morning, their sale ought to be stopped, and if the extra work this bill involves in keeping records of their sales is to be the means of accomplishing this, in God's name let us have the extra labor.

As vice president of the Pennsylvania Board of Pharmacy I come to you and say that the Pennsylvania cocaine law, which is the most perfect and drastic of any State, after honest enforcement, will not meet the situation without an interstate law. Our board favors this bill.

As chairman of the legislative committee of the Philadelphia Association of Retail Druggists, representing over 1,100 druggists of the city of Philadelphia, I say to you the druggists of Philadelphia are willing to bear the extra labor involved in this bill for the sake of breaking up this terrible traffic, and have sent me here to ask you to pass this bill.

My friend Dr. Schieffelin has told you that the National Wholesale Druggists' Association is in favor of this bill, and my friend Mr. Richardson, representing the National Association of Retail Drug-

gists, the national organization of 45,000 druggists in this country, will tell you that his association in national convention assembled passed resolutions to break up the traffic in narcotic drugs, and he will ask you to pass this bill.

Notwithstanding the increased labor and detail involved if this bill becomes a law, the wholesale and retail drug trade of the United States come to you and ask you for Federal aid to break up such a nefarious and soul-destroying traffic. We have done our duty to God and humanity. Will you do yours?

Mr. DALZELL. You speak of codein. Is not that a coal-tar preparation?

Dr. KOCH. Codein is a derivative of opium.

Mr. DALZELL. It is?

Dr. KOCH. Yes, sir. There are a number of drugs—codein, heroin, dionin, and three or four others—that are commonly used.

Mr. DALZELL. I thought codein was a coal-tar product.

Dr. KOCH. No; codein is an alkaloid obtained from opium.

Mr. HARRISON. Doctor, may I ask you one or two questions?

Dr. KOCH. Yes, sir.

Mr. HARRISON. Is it possible to grow opium for manufacturing purposes in the United States?

Dr. KOCH. I believe it is at the present time. I think Dr. Wright can enlighten you on that subject.

FURTHER STATEMENT OF MR. HAMILTON WRIGHT, AMERICAN DELEGATE TO THE INTERNATIONAL OPIUM COMMISSION.

Mr. WRIGHT. The Agricultural Department has for the last nine years carried on experiments in California, Mr. Chairman, with the object of growing the poppy. They have succeeded in doing that. They grow the poppy and reserve the capsules; and they have been trying to devise a method for getting the alkaloids of opium, like morphine and codein, direct from the capsule. I believe they have succeeded in doing that, but there is no opium produced in this country at present. But under the act of February, 1909, it is still possible to manufacture smoking opium from opium produced in the United States, and under the act of October, 1890 (the internal-revenue act), only a tax of \$10 a pound is imposed on the manufacture of smoking opium.

Applications have been made to the Treasury Department to take out licenses for the manufacture of smoking opium in this country, to be manufactured from the home-produced opium. They claim that the price of smoking opium has gone so high now, since the opium-exclusion act was passed—it has gone to \$60 and \$70 a pound—that it will now pay to produce a low grade of opium in Oregon and California and manufacture smoking opium from it. There is a bill now before the committee, part of this series of bills, which aims to put a prohibitive tax on any smoking opium manufactured from domestic opium in the United States.

Mr. HARRISON. You do not regard the tax mentioned in section 2 of this bill as in any sense prohibitive, of course?

Mr. WRIGHT. No; the bill I refer to is 25240, I think.

Mr. HARRISON. That is the bill we are now considering.

Mr. WRIGHT. No; the bill you are now considering is 25241.

Mr. HARRISON. Yes; excuse me.

Mr. WRIGHT. Another bill introduced by Mr. Foster was 25240, which proposes amending the internal-revenue act of October 1, 1890, by imposing an internal-revenue tax of \$200 per pound on all smoking opium manufactured in the United States. That would be a prohibitive tax.

Mr. HARRISON. What is the value of opium per pound?

Mr. WRIGHT. Before the opium exclusion act went into effect in February, 1909, smoking opium was sold in San Francisco at about \$13 per pound, after paying an impost of \$6 a pound. But since that act went into effect, which excludes all forms of opium from this country, except for medicinal purposes, the large amounts that were left on hand that were in stock at the time that act was passed, and had been stamped, and the large amounts that are smuggled in from Mexico now, have sold at prices ranging, I am told by the collectors of customs, from \$25 to \$120 a pound.

Mr. HARRISON. This tax has been most minute—the merest nominal tax—then?

Mr. WRIGHT. Yes; but the tax in bill No. 25241 does not touch smoking opium, because that form is excluded from the United States. That is absolutely excluded by Mr. Payne's bill of February 9, 1909.

Mr. HILL. The purpose of the bill we now have before us is practically to secure supervision of the trade and to lay a tax sufficient to pay the expenses of such supervision.

Mr. WRIGHT. Quite so. It is as I just said to Mr. Schieffelin; there is no attempt here to say that there shall be only a small amount of morphine manufactured or that there shall be only a certain amount of opium, but that all the opium imported and manufactured in this country shall be done in daylight. It is provided that there shall be a register of those transactions covered by section 8—one of the most important sections—which requires that all returns required by the act shall be properly filed here in Washington, and that they shall be at the service of the State officials who are charged with executing the State laws. In that way there can be no repetition of such transactions as Dr. Koch speaks of, where you may be able to suppress the traffic, say, in Philadelphia, but can not prevent a man under a State law from going over to Trenton or going over to New York and getting new supplies and surreptitiously introducing them. Under this act, if it were passed and approved, such a transaction would be registered here in Washington, and the State authorities would have sufficient evidence to proceed against the violators of State laws.

That matter has been submitted to all the State pharmacy boards, which are the bodies in the various States charged with the duty of enforcing these antinarcotic laws. I can put before the committee letters of this nature from all the pharmacy boards, in which they approve of the general principle of this bill, and state very emphatically that it will be impossible for them to adequately enforce their own State laws (which in many cases are very good) as long as the interstate traffic lacks control.

Then the most important factor in many ways in regard to this bill is that our Government has now called a new conference to meet at The Hague on the 30th of May; and the British Government accepted the invitation of this Government on condition that the other powers should pledge themselves to make a study of the traffic in morphine

and cocaine, and be prepared to pass drastic laws. Our Government, in this antinarcotic legislation, even as applied to the Philippines, stands to lose as the result of the opium-exclusion act a million and a half dollars of revenue. The Philippine loss is about \$600,000. Great Britain stands to lose something like \$30,000,000. She has involved an Indo-Chinese opium trade of £3,000,000 sterling; and she has undertaken now, as the result of the initiative of our Government in that matter, to reduce that by 10 per cent per annum until it is totally wiped out. That began on the first of January, 1908. So it is essential for diplomatic reasons that we should be able to appear in that conference (having taken the initiative in this matter, and not having any revenue at stake) and at least be able to say that we have cleaned our own house.

MR. HARRISON. England, then, is giving up voluntarily what she once fought a war for?

MR. WRIGHT. Yes. England entered into a voluntary arrangement with China to reduce her total export of opium from India to all countries by one-tenth of what the Chinese were then importing. It was computed at that time that the Indian production under the monopoly system was 67,000 chests, each chest containing about 140 pounds of opium. China was taking 51,000 chests; and Great Britain undertook to reduce her export from Calcutta (the only port from which it is exported), by 5,100 chests a year until the total export was reduced to 16,000 chests. It is now the opinion of the Indian officials that that 16,000 chests will be India's contribution to the world's supply of medicinal opium; and I believe they will undertake at the conference to raise the morphia content of that opium up to the medicinal standard.

The Dutch Government and all the other Governments have passed restrictive legislation since our Government took the lead in this matter. There is not a government concerned that does not stand to lose all the way from two million to fifteen or twenty million dollars a year. Our Government practically loses nothing; and we simply can not go into that conference without our Federal Government having taken some action. It was the same way at Shanghai. If Mr. Payne had not had his bill passed excluding smoking opium, we would have gone into that conference (having called a conference to suppress the traffic) legalizing the importation of the drug, which has been legalized since 1840, in spite of the fact that every municipality in this country and nearly every State has a law prohibiting the use or the manufacture of that drug. That was the reason why we had to press for the passage of the opium exclusion law—so as to "save our face" (to use a Chinese expression) in Shanghai. It was realized at the time that that law was only a first step, and that something more comprehensive was necessary. I think in the argument on the floor Mr. Gaines pointed that out—that the bill was totally inadequate to cover the interstate traffic. This bill has been devised now, with other measures before the committee, to treat the matter comprehensively and finish it once for all.

MR. HILL. Do I understand that England has agreed that ultimately the Indian supply of opium shall be so restricted that only the medicinal properties that come from it shall be exported, and that in the cruder forms of smoking opium it shall not be exported at all?

Mr. WRIGHT. No; not quite that. The British Indian Government has never exported manufactured opium. They export the raw opium, and that is taken to China and manufactured into smoking opium. But the opium produced in China is a very low grade. It is known to medicine as a low-grade opium. It contains only from 2 to 7 per cent of morphia. We practically exclude it from this country by a tax of \$6 a pound on it. We do not admit to this country opium containing less than 9 per cent of morphia. Great Britain has at least impliedly undertaken to raise the morphia content of her opium to the 10 per cent standard, which is now the recognized standard. It is recognized under an international agreement that we have with the European Governments. She has undertaken to raise that opium to the 10 per cent standard.

Mr. HILL. Is not that opium of an increased standard available for smoking?

Mr. WRIGHT. No; its morphia content is too high. The Chinese in this country occasionally attempt to manufacture smoking opium out of high-grade opium, but it does not make an agreeable smoking compound. The morphia content is too high, and it contains other substances that do not make it a preparation that is smokable.

STATEMENT OF MR. WILLARD S. RICHARDSON, OF WASHINGTON, D. C., REPRESENTING THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS.

The CHAIRMAN. What is your name, please?

Mr. RICHARDSON. Willard S. Richardson. I represent the National Association of Retail Druggists.

We are in favor of this bill. We have realized for some time that there was a need of this kind of a law. We have for two or three years been trying to devise some law of our own, and have once or twice drawn up a bill to cover this ground. We have never had one but that had some fault in it. This bill, I think, meets the situation the best of any that I have seen, and I can not see any objection to it. I think it would be well if we had some regulation by which the Commissioner of Internal Revenue could furnish us with a list of those who register.

As I understand it, the Government prohibits any opium coming into this country except that for medicinal use, and I think that makes a stronger reason why we should have a law by which the sale and use shall be confined strictly to medicinal uses.

I believe that by this system of registration, and confining its sale to those who are registered, it will be comparatively easy to break up the illicit sale of opium, morphine, and cocaine. As it is now, it is the hardest thing to find out who is dealing in these drugs.

Right in this city we have had trouble along this line; and we have a detective who is detailed to watch out for people who are attempting to traffic in cocaine. He has already arrested several people, and some of them are down at Occoquan to-day. But we suppose that they will get their supply from out of the city. They even refuse to tell where they get it, and there is no law to compel them to do so.

I believe that if we had a system of registration we could find out where they get their supplies, and we could cut them off. Only the

other day a physician told me that he was called in to see a lady, and she begged him for a prescription for morphine. She admitted that she had been having it sent to her from out of the city, but it failed to come. She refused to tell where it came from. If there had been a system of registration, we could have found where it came from.

I should like to introduce here some resolutions that were passed by the National Association of Retail Druggists at our convention at Pittsburg, September 12 to 14. I should like to read them.

(The resolutions referred to are as follows:)

RESOLUTIONS ADOPTED AT CONVENTION HELD IN PITTSBURG SEPTEMBER 12 TO 14, 1910.

Resolution in regard to habit-forming drugs.

Whereas pharmacists are unalterably opposed to the sale, distribution, and use of habit-forming drugs to an extent that injury to many unsuspecting persons may result; and

Whereas pharmacists have aided in the enacting and have earnestly supported laws tending to prevent drug habituation; and

Whereas existing laws do not prevent the public from obtaining habit-forming drugs in such condition and quantity as to cause them to become drug slaves; be it

Resolved, That this association favors legislation that will safeguard the public by preventing any person, even a licensed physician, from dispensing, distributing, or selling habit-forming drugs, except under proper restrictions.

Resolutions in regard to "baby-killer" proprietaries.

Whereas recent publicity of the dangerous character of a class of proprietaries sold for administration to children have awakened a larger knowledge on the part of the public to the evils attending the indiscriminate sale of preparations containing habit-forming drugs; be it

Resolved, That this association recommends to its members that they discourage, as far as possible, the sale and use of proprietary medicines that contain habit-forming drugs, particularly those which are intended for administration to infants.

Resolved, That the legal department of the National Association of Retail Druggists be empowered to actually engage in cooperative measures with legislative committees of the State pharmaceutical associations advocating necessary amendments to the State pharmacy laws requiring the restricting of all sales of drugs, medicines, and poisons, including proprietary remedies, to registered pharmacists exclusively.

Resolution on legislation.

Resolved, That the association use all its efforts to have passed an interstate narcotic law, the terms of which will prohibit all illegitimate traffic in narcotic and habit-forming drugs and confine their sale and uses to proper channels and for strictly medicinal purposes.

Mr. RICHARDSON. That is what we want, to confine it to strictly medicinal purposes. I think the bill covers that ground perfectly.

I heard that some one wanted to make an amendment exempting physicians from the operation of this law. I do not see why they should be exempt. I do not think we should allow any loophole in it. A physician might be a druggist; a druggist might be a physician. A manufacturer also might be a physician. If this is left open it looks to me as though we might as well not have any law. Of course, we do not wish to interfere in any way with the physician in the regular practice of his profession.

Mr. HILL. Let me ask you a question: Suppose there were a list furnished by the Commissioner of Internal Revenue, and a stamp furnished to every licensee, and every order had to be stamped with the name and number of the dealer. In your judgment, would that be a sufficient protection?

Mr. RICHARDSON. Without registration?

Mr. HILL. Oh, no. There would be a registration list furnished.

Mr. RICHARDSON. Why, I should think it would, as this bill prohibits selling to anyone except those that are registered.

Mr. HILL. I know; but the wholesaler wants to know who they are.

Mr. RICHARDSON. I think the Internal Revenue Department should furnish a list. I think that is probably the only practical way of getting down to the real ones that are registered. A person might send a counterfeit or a forged order. We know the Post Office Department is trying in every way it can to stop it. It even has a law prohibiting sending through the mails of these poisons.

I do not think it is necessary for me to go into the details of why we need this law, because the gentleman who spoke before me has explained it thoroughly; and the exposure in Philadelphia, I think, shows the need of such a law. I do not think I need take up any more time unless you want to ask me some questions. We are heartily in favor of this bill, and can see no objection to it; and it seems to me to be the only one that really covers the ground that we want. Dr. Wright, I think, has explained the working of it.

FURTHER STATEMENT OF MR. HAMILTON WRIGHT.

Mr. WRIGHT. May I just say a word to the committee in regard to the question of physicians? A bill similar to this has been introduced in the Senate, and amendments have been sent over there—an amendment to section 4. This bill reads now:

But nothing contained in this section shall apply to public hospitals or to public or scientific institutions.

I have canvassed the medical profession very thoroughly on that point; and some objection has been made that it would be an imposition on the country physician who makes a practice now of sending, say, from southern Illinois to Detroit to get his office supplies from Parke Davis & Co. It is thought that it might be an imposition on him to compel him to register and take out a license—that is, to regard him as a retail dealer in these drugs. But the majority opinion of the profession is that the profession ought to make that sacrifice.

Mr. HILL. Two per cent of them are victims of the habit now.

Mr. WRIGHT. Quite so; and in Maine, I know, and in rural communities in New York, the reports I have show that the country physician has been largely responsible for the spread of the morphine habit, especially in rural New England. I have an estimate from one of the largest dealers that the use of morphine in Massachusetts and the other New England States, excepting Maine, has increased 100 per cent in the last ten years; and in the State of Maine it has increased 150 per cent. Two or three summers ago, when I first undertook this investigation for the State Department, I saw a large wholesale and retail drug store, with six stage coaches drawn up in front, each coming there to get its supply of morphine. That was distributed out along stage routes radiating from Portland, Me. When the attention of this firm was called to what I considered a debasing traffic, they put a stop to it. But those stage coaches now meet at a paint shop on the other side of the street and get their supplies there.

Mr. LONGWORTH. How do you account for that in the State of Maine?

Mr. WRIGHT. It is difficult to say. Of course one naturally connects it with the question of prohibition.

Mr. BOUTELL. I was going to ask that question—whether you drew any inference from that increase in the State of Maine in connection with what seemed to me a very illuminating statement made by both you and the other witness, that in those four great countries in Europe—Italy, Germany, Austria, and Holland—with a total population of 146,000,000, there is nothing but the legitimate use of these drugs. I was going to ask you whether you drew any inference from the fact that those are all countries where there is a universal use of the light alcoholic stimulants, either made from the grape or fermented?

Mr. WRIGHT. It would be very easy, especially in the State of Maine, to connect up the abuse of morphine with prohibition. But, as we all know, there is no such thing as prohibition in Maine. I do not think it can be directly traced. Maine is in a peculiar position. The largest amount of morphine and cocaine used in Maine is used in the summer months; and there is no doubt that that has a great deal to do with the transient population that goes there perhaps to recover from too much of the use of the drug in winter.

The CHAIRMAN. Have you an idea that this legislation will drive the victims of the drug habit to drink?

Mr. WRIGHT. I do not think that it would be very difficult to drive men to the drink habit. But there is really no relation between the two. I have gone into that question, though I did not labor the facts in my report. But take a case like Kansas, for instance: There is no evidence that with a prohibitory law in Kansas there has been an increased use of these drugs in that State. Maine, as I say, is peculiar on account of its large summer population. I have evidence there that the hard drinker who gets his drink in Maine anyway ultimately comes to morphine. They are even selling now concentrated alcohol, alcohol tabloids, in the lumber camps in Maine, which on investigation have been found to contain cocaine. When dissolved in water they give a highly stimulating effect. That practice has been introduced there; but I have not been able to come to any conclusion that the use of morphine in this country is in any way connected with the prohibitory movement, although the great use of morphine did set in in this country shortly after the Civil War when the prohibitory wave swept over the country. As I have stated in my report, I think that the physical and mental deterioration that occurred in so many persons following that strenuous period led to the establishment of the morphine habit in this country.

Another fact in the situation was the fact that the hypodermic syringe was invented at that time; and that proved to be a very easy and convenient method of taking morphine. Morphine is irritating to the stomach. The morphia syringe was invented; and before physicians realized how easy it was to contract the morphine habit it became a common practice for the physician to leave the syringe with the patient, and he or she became a focus from which the habit spread to other members of the family or to associates. It was largely carelessness on the part of the medical profession. The dealers have

simply supplied the demand that has been created primarily by carelessness on the part of the physician, I think, and then by the ease with which this drug can be had.

In connection with that point about Europe, Mr. Boutell: In every country in Europe there are strict national laws and ordinances governing the use of these drugs. There is a great dignity (I think I can say this without making any invidious comparisons) about the profession of pharmacy in a country like Germany or Russia. The pharmacists themselves, I think, have too much respect for themselves as a professional body to indiscriminately sell or use morphine. I had a report from Russia, from our consul general at St. Petersburg, saying that with the Russian physician it is the last drug that he uses. He recognizes that it is the best drug; or, as our consul general remarked, he guards it as we guard radium to-day. He knows that in many ways he has the most potent and the most necessary drug in the Pharmacopœia, and he guards it and uses it only as a last resort.

I wish to amend a statement that I made this morning about the four hundred thousand and odd pounds of opium consumed in the United States. I do not want the committee to understand that I thought that that entire 400,000 pounds of opium was actually consumed in this country. There is no doubt that there is a great wastage. It can be had so easily, and it is so cheap, that even among the people who use most of it there must be a loss of from 10 to 15 per cent by mere wastage. That should be deducted from the 400,000 pounds net consumption. But even then it leaves us in this country in the position of being practically an opium-consuming country.

Mr. RICHARDSON. I should like to explain the reason why I spoke about the physician. I had been told that such an amendment had been sent over into the Senate. If we leave that, if that should be excepted, there is nothing to stop a druggist, an importer, or manufacturer from becoming a physician.

The CHAIRMAN. Are there any questions?

Mr. RICHARDSON. I should be glad to answer any questions that may be asked. Of course, you understand we are heartily in favor of this bill.

FURTHER STATEMENT OF MR. WILLIAM J. SCHIEFFELIN, PRESIDENT OF THE NATIONAL WHOLESALE DRUGGISTS' ASSOCIATION.

Mr. SCHIEFFELIN. Mr. Chairman, if I may speak again, I will say that at your suggestion I called on Commissioner Cabell, and he spoke about three things. He said that only licenses were required to sell tobacco, and that therefore there is no precedent for a stamp or license number to be required for the wholesale dealer in supplying the retailer; that anyone can sell tobacco as long as the tax thereon has been paid. But the purpose of section 4 is supervisory, in order that accurate knowledge may be had of what becomes of all the opium and cocaine imported or manufactured here.

He suggested that the word "knowingly" be inserted in section 4 and taken out of section 6. He said that his department would object to its being in section 6, but that in section 4 he thought it might very properly be inserted; and in that event they would issue among the regulations a statement that unless the order upon which

the wholesale dealer or manufacturer supplied the retailer were accompanied with the license number of the retailer and the date, it would be assumed by the department that the wholesaler had not the proper knowledge as to whether the men were licensed or not. In that way it would be self-enforcing.

Mr. LONGWORTH. Where would you put it in section 4?

Mr. SCHIEFFELIN. In the first line, after the word "to"—"for any person to knowingly send." That is, in line 11. Then, again, in line 16, after "person"—"or for any person knowingly to receive" or "to knowingly receive."

Mr. LONGWORTH. You say it should be left entirely out of section 6?

Mr. SCHIEFFELIN. Entirely out of section 6. It applies to section 4. He urged that in section 9 the words "including penalties" be put in in line 25, after the word "taxes." It would then read:

That all laws relating to the assessment, collection, remission, and refund of internal-revenue taxes, including penalties, so far as applicable to and not inconsistent with the provisions of this act, are hereby extended and made applicable to the taxes imposed by this act.

He said he regarded that as of great importance. He also said he would be glad to appear before the committee if the committee wished it and would summon him to come.

I wish to say that while we are in favor of the bill we urge that the word "knowingly" be inserted; otherwise, as wholesale dealers and manufacturers, we should regard its passage with a great deal of concern.

Mr. HILL. Dr. Schieffelin, suppose all licenses were made terminable at a uniform time—say, from January to January?

Mr. SCHIEFFELIN. That is in the bill. Dr. Wright pointed that out to me.

Mr. HILL. Suppose they were all made terminable at once in the United States, and you were furnished by the Commissioner of Internal Revenue with a list of all such persons. Wherein would you be in danger from selling under section 4, if "knowingly" was not in there?

Mr. SCHIEFFELIN. Only the danger of a slip of some clerk—some mistake.

Mr. HILL. He would not sell except with reference to the list.

Mr. SCHIEFFELIN. I know; but he might make a mistake.

Mr. HILL. He would not make it but once, would he?

Mr. SCHIEFFELIN. But we would be in jail [laughter]. That date matter is included in this law. It says, "the first of April." But they always allow a whole month, as I understand it. When a law says "the first of July," I think the Internal-Revenue Department allow the entire month of July, because it is impossible to register 44,000 in one day. That is my understanding of that matter.

I should like to make one or two short additional statements. The amount of cocaine or morphine used by the victims of the habit has of necessity to be guesswork. Mr. Koch has estimated it at 90 per cent of cocaine. It seems to me that is an overestimate. The best information I can get on the subject is that it is 75 per cent. Of course it is bad enough at 75 per cent. It ought to be stopped. But when you assume that each retail druggist may possibly sell an ounce a year, and some very often sell 5 or 10 ounces, as there are 44,000

druggists, that would account for 44,000 ounces at once. His estimate of 90 per cent illegitimate use left only 15,000 ounces for the legitimate use. There are quite a number of hospitals and surgeons that use it; and I know a large number of dentists use it now. They would buy their supplies from the retailer, that is true. But there are 33,000 dentists, and one ounce of cocaine, especially if it is used in solution (where it is not permanent, and decomposes) might not be an overestimate for a dentist for a year. That would account for 33,000 ounces.

I am merely suggesting these things as showing that these estimates are only estimates, and need not be taken as being entirely accurate. But we know that by far the greater proportion is used improperly; and I know that all the manufacturers and most of the dealers want to cut off as far as is humanly possible all that is used by the victims of the habit. The wholesale dealers have gone on record in this respect year after year; and the manufacturers themselves were the ones who have initiated the agitation away back in 1896. While we oppose a few parts of the bill, we think the principle of the bill is right; and we think it would be effective.

More than that, last year the manufacturers (I am now speaking about cocaine alone) asked for an increase in the tariff, so that it should be prohibitory. The argument used at that time was in order that adequate control might be kept by subsequent legislation upon the amount of cocaine manufactured and used in this country. If we did not advocate this bill we would be guilty of extremely bad faith, because we made the argument last year that we wanted an increase in the tariff in order to control this, and we come here now and say that this is complementary and supplementary to what we were asking for last year, and what you granted last year. Therefore we hope that this measure will be passed after it has been made a little safer by inserting the word "knowingly."

MR. BOUTELL. One feature of this bill that I should like to ask you about, Dr. Schieffelin, is this (I think it applies to all of them), Is it specific enough or comprehensive enough in its terms to cover combinations of these drugs which might be made and given a popular name in order to escape the provisions of the bill? It seemed to me that this language referred rather to these drugs and their derivatives or preparations, and not to their compounds. Do you think that has been sufficiently guarded against? In other words, are there not now quite a number of pellets, pills, and one thing and another sold under popular names as harmless remedies that really contain quite a good deal of morphine or opium?

MR. SCHIEFFELIN. Even if they contained the smallest fraction, this bill would apply to them.

MR. BOUTELL. You think it does?

MR. SCHIEFFELIN. Oh, it would; and I think that is where most of the trouble and opposition and complaint is going to come from. A man who manufactures some patent medicine which has a large sale, and which has a very small trace of morphine in it, will say, "It is rather annoying to have to have a stamp on this, and to have to make my wholesalers and retailers keep a record of all they sell."

MR. BOUTELL. Referring to this bill No. 25241, which we have been considering—

MR. SCHIEFFELIN. That is the one we are talking about.

Mr. BOUTELL. Take the first clause there, "That every person who imports, exports, produces, or manufactures opium, morphia, coca leaves, cocaine, alpha and beta eucaine, chloral, cannabis, their salts, derivatives, or preparations." You think that, in the language of the trade, would cover a compound, do you?

Mr. SCHIEFFELIN. In the language of the trade, you would mean by "compound," a mixture. Chemically, a compound means a derivative; but ordinarily, in ordinary language, "compound" would mean "mixture."

Mr. HILL. That is what I mean; in ordinary language.

Mr. SCHIEFFELIN. And I assumed that the word "preparation" was meant to include "compound."

Mr. HILL. I do not know enough about the drugs to speak accurately on this point; but suppose a preparation does contain one of them? For example, I will take a thing in frequent demand at this time of the year—say coryza tablets. Do they contain any opium or morphine?

Mr. SCHIEFFELIN. I do not think so. Do they?

Mr. WRIGHT. They might contain a trace of cocaine. They were put on the market some years ago.

Mr. HILL. How about rhinitis?

Mr. WRIGHT. Rhinitis does not contain any.

Mr. HILL. But suppose any of them did?

Mr. WRIGHT. This language would thoroughly cover that.

Mr. HILL. It would?

Mr. WRIGHT. Yes. Besides, I think under that section, just as under section 1 of the act of 1909, the Secretary of the Treasury has power to define what are preparations and salts and derivatives of these drugs. Under the opium act he defined what was a combination and what was a derivative of opium. These are nearly all synthetical compounds, and they change. The ingenuity of the chemist can change them from one thing to another. As this bill stands now, I think the Secretary feels certain that he has power there to define from time to time what these salts, derivatives, and preparations are. Practically the same language is used in the Philippine legislation; and under that the commissioner of internal revenue in the Philippines has defined what cocaine is and what the various forms of cocaine are. They change it and add to it from time to time as experience proves that new drugs are being put on the market.

Mr. HILL. The thought I had in mind was whether it would prevent the getting up of something containing opium or morphine and a little trace of camphor or bicarbonate of soda, or something else, and calling it "Antigoutitis," or something of the kind.

Mr. WRIGHT. That would be covered by the word "preparation," I think.

Mr. SCHIEFFELIN. I think the great majority of the drug trade would agree with Mr. Koch that there should be a maximum allowed. Personally, I am not prepared to take the position in that way. As a representative of the wholesale drug trade, I will have to say that I know that most of them think that the pendulum is swinging too far when you forbid the sale of the old-fashioned family remedies that have a very small amount of opium in them. But that is what this

will do, as I read it; it will cover everything. I shall have to virtually divide myself in two, and say——

Mr. WRIGHT. I might call Dr. Schieffelin's attention to the fact that, of course, this bill does not forbid the sale of any remedy containing opium.

Mr. SCHIEFFELIN. Yes; that is right.

Mr. WRIGHT. There is nothing here that prevents manufacturers from continuing to put these things on the market if they want to.

Mr. SCHIEFFELIN. Yes.

Mr. WRIGHT. Only they have to register their sales, and they have to do it in public. The general feeling among medical men on this subject is that if the manufacturers have a compound containing morphine or codein or something else that is a penacea for every ill under the sun, they ought to be glad to register it and advertise it, and let the world know they have such a good thing. They ought to be glad the Federal Government will take the trouble to register it for them.

Mr. SCHIEFFELIN. You can see that this will be a complicated matter, because we will have to go all through our stock and make a segregation. We do not carry them all, but I believe there are 22,000 different patent medicines, and we will have to put aside the ones that can only be sold under this law. That is where there will be room for quite a number of slips on account of the errors of clerks.

Mr. HILL. Are they all "sure cures," Doctor?

Mr. SCHIEFFELIN. They are not all the best sellers.

Mr. BOUTELL. These bills relate to only two drugs and their compounds, opium and cocaine, and their different preparations and derivatives. Are there any others?

Mr. SCHIEFFELIN. They include chloral and cannabis. Those are practically all the habit-formers. Some would include caffeine. I am not prepared to go quite as far as that, although I would not fight against it very vigorously.

Mr. DALZELL. Caffeine?

Mr. SCHIEFFELIN. Caffeine. Caffeine is the alkaloid in tea or coffee. But when you take it in tea and coffee you take it accompanied by caffetannic acid, which goes in with the infusion. After you have had two or three cups your stomach does not crave any more. If you extract the caffeine and mix it with sirup and flavor it like sarsaparilla, say, you can drink six or eight glasses of it, and there is no warning from your stomach, and you are a nervous wreck. That is the danger of the drinks which have had caffeine added to them. But I do not advocate putting caffeine in here, because I do not think we have got quite as far as that.

STATEMENT OF MR. GEORGE D. ROSENGARTEN, OF PHILADELPHIA, PA.

Mr. ROSENGARTEN. My name is Rosengarten, of the Powers, Waite & Rosengarten Co., of Philadelphia. I merely wish to state that we are in accord with the principle laid down in this law. We desire to see that these habit-forming drugs are used only for legitimate purposes.

The CHAIRMAN. Are there any others who wish to be heard?

Dr. KOCH. Mr. Chairman, I should like to say——

The CHAIRMAN. I do not think the members of the committee want to hear much more about the merits of the bill.

Dr. KOCH. I do not want to talk about the merits of the bill.

The CHAIRMAN. It is plain that there ought to be legislation. If there are any suggestions about the form of the bill or as to its provisions, they would be more in point at this stage.

Dr. KOCH. I think the introduction of the word "knowingly," as Dr. Schieffelin suggested, would vitiate the entire purpose of the bill. You would never get a conviction, because a man never commits a crime knowingly. Just the moment you give him that word "knowingly," there is his defense; and it is a valid defense before any jury. You will never get a conviction if you insert the word "knowingly."

That is all I have to say, Mr. Chairman.

The CHAIRMAN. I want to put into the record a letter from the Commissioner of Internal Revenue, and the opinion of the Attorney General on the defects of the former law, and one or two other letters that I received from Dr. Wright a few days ago. With that I think we will close the hearings. If it develops afterwards that anyone wants to be heard in opposition to the bill before it is acted upon, we will call a meeting of the committee and hear him; and the same if any gentleman desires to be heard in reference to the provisions of the bill or amendments of any kind to the bill. I think probably the committee will want to call the Commissioner of Internal Revenue to come before them before they get through with the consideration of the bill.

(The committee thereupon adjourned.)

APPENDIX.

DECEMBER 5, 1910.

HON. SERENO E. PAYNE,

*Chairman Committee on Ways and Means,
House of Representatives.*

SIR: I have the honor to inform you that at the last meeting of the National Wholesale Druggists' Association, held at Dallas, Tex., November 14, 1910, it was resolved in regard to H. R. 25240 and 25242 (61st Cong., 2d sess.), which are now before your committee, "That it is the opinion of the National Wholesale Druggists' Association that, as the act of February 9, 1909, to prohibit the importation and use of opium for other than medicinal purposes has been weakened by the opinion of the Attorney General, July 1, 1909, which permits the bringing of smoking opium into the United States for immediate transportation by sea, it should be so amended as to prohibit foreign or domestic vessels under penalty from receiving, concealing on board, or transporting to the United States, its possessions, and territorial waters opium prepared for smoking.

Second. That as the act of February 9, 1909, still permits the manufacture in the United States of smoking opium from opium which may be produced in the United States, the act of October 1, 1890, should be so amended as to impose prohibitory internal-revenue taxes on all smoking opium manufactured in the United States.

In regard to H. R. 25241 (61st Cong., 2d sess.), it was resolved as follows:

"That it is the unanimous opinion of the National Wholesale Druggists' Association that some effective legislation should be passed by Congress supporting the antinarcotic laws of the various States and preventing, so far as possible, the defeat of such laws through the unrestrained traffic in habit-forming drugs."

I inclose for your information a copy of the opinion of the Attorney General in regard to the opium exclusion act approved February 9, 1909 (35 Stat., 614). Also, a copy of a letter of the chairman of the legislative committee of the National Association of Retail Druggists, which contains an indorsement of H. R. 25241 (61st Cong., 2d sess.), and a copy of a letter from the Commissioner of Internal Revenue, in which,

acting on the direction of the Acting Secretary of the Treasury, he states that the "Provision of the bills mentioned above are drawn in conformity with present existing internal-revenue statutes; that the provisions of the bills are entirely practicable, so far as efficient enforcement is concerned, and that the bills proposed advantageously supplement the act of February 9, 1909, regulating the importation of opium."

I will add that the proposed antinarcotic measures which are before your committee had been laid before nearly all of the State pharmacy boards, and after examination have been approved. The general principle of the bills has also the indorsement of a large number of the leaders in medicine and surgery and scientific walks of life.

I have the honor to be, sir, your obedient servant,

HAMILTON WRIGHT,
United States Opium Commissioner.

WASHINGTON, D. C., *February 22, 1910.*

Dr. HAMILTON WRIGHT,
Commissioner of Opium.

DEAR SIR: The National Association of Retail Druggists, of which I have had the honor to be their chairman of the legislative committee for the past three years, has been anxious for a number of years to have some law or regulation by which the sale of opium and cocaine in interstate commerce could be regulated. Since the Government has prohibited the importation of any opium into this country, except that of the United States Pharmacopœia standard, it has become more important than ever that some regulation be enacted by which these drugs may be confined to their proper channels and medicinal uses. In order to do this, it seems necessary to have a regulation by which these drugs could be traced from the importer to the last person who handles or uses them. This plan, with the cooperation of the States, would quickly stamp out the illegitimate and wrongful uses of these drugs and not interfere in any way with their proper medicinal uses. The National Association of Retail Druggists has for a number of years been assisting States in forming and passing local laws regulating sales of these two drugs. We have always stood ready to assist Congress in framing a law by which the interstate traffic in these drugs could be so regulated as not to interfere with their proper medicinal uses and at the same time keep them from getting into the hands of those who sell or use them for improper motives.

I have examined your bill (H. R. 25241) and believe that the principle laid down in it is one of the best plans suggested, and one that will keep the traffic in these drugs under perfect surveillance while it is an interstate commerce. Your bill will enable all State officers having jurisdiction over the traffic of these two drugs to know from whence and how much of them have been brought within the bounds of their States, thereby making it much easier to trace out any illegitimate sale or use that may occur within their respective States. There being at present no interstate-commerce regulation in the traffic of these drugs, it has made it extremely difficult for State officials to discover how some illegitimate peddlers of these drugs have obtained their supplies, or to even find out who they were.

Hoping Congress in its wisdom may during this session enact a law that will cover this much needed legislation, I am,

Very respectfully,

W. S. RICHARDSON,
*Chairman Legislative Committee
National Association of Retail Druggists.*

CUSTOMS LAW—OPIUM TRANSFERRED FROM ONE VESSEL TO ANOTHER IN A PORT OF THE UNITED STATES.

Smoking opium may be brought into a port of the United States from a foreign country on one vessel and lawfully transferred to another vessel for immediate transportation to a foreign destination.

Opium could not, under the laws existing at the time of the passage of the act of February 9, 1909 (35 Stat., 614), be brought into a port of this country from a foreign country and exported from the same port on another vessel without being subject to duty.

Since the act of February 9, 1909, which prohibits absolutely the importation of opium in any form, smoking opium is not subject to duty, and can not under any circumstances be entered and bonded for warehousing; and the law which made the bringing of opium into a port an importation for such purposes is, as to smoking opium, repealed.

The entering of merchandise for immediate exportation and without any intent that it shall enter into the commerce of a country is not an importation.

DEPARTMENT OF JUSTICE, *July 1, 1909.*

SIR: I have the honor to acknowledge receipt of your communication of June 22, 1909, wherein you state that application has been made by the trans-Pacific steamship companies at San Francisco for permission to enter smoking opium for warehouse and immediate exportation by sea, and ask my opinion as to whether or not such application can be complied with.

As I understand the facts, a concrete case presenting the question for determination would be as follows: A vessel entering the port at San Francisco has on board a package of smoking opium shipped from a foreign country. It is shown by the manifest, bill of lading, invoice, or other document that the ultimate destination of this package is another foreign country, it being the intention of the shippers that the package be brought into port at San Francisco and there transferred to another vessel, and by it borne to its foreign destination; and the question is whether or not, under the custom and criminal laws of the United States, such transfer can be allowed in said port.

I will first consider what bearing the revenue laws had upon the question presented, independently of the act of February 9, 1909, which prohibits the importation of smoking opium into the United States, and will then consider what, if any, effect the passage of that act had upon the then existing status of the law.

By the first section of the tariff act of July 24, 1897 (30 Stat., 151), it is provided:

"That on and after the passage of this act, unless otherwise specially provided for in this act, there shall be levied, collected, and paid upon articles imported from foreign countries, and mentioned in the schedules herein contained, the rates of duty which are, by the schedules and paragraphs, respectively prescribed, namely:" and then follow the various schedules of dutiable goods.

To determine when a dutiable article is to be considered as imported from a foreign country and is subject to the payment of the tax thereon requires a careful consideration of the various statutes enacted to enforce the tariff laws. The following sections of the Revised Statutes have a special bearing upon the question in hand:

"Sec. 2962. Any merchandise subject to duty * * * which shall have been duly entered and bonded for warehousing, in conformity with existing laws, may be deposited * * * in any public warehouse * * * or in the private warehouse of the importer, etc."

"Sec. 2971. All merchandise which may be deposited in public store or bonded warehouse may be withdrawn by the owner for exportation to foreign countries, or may be transhipped to any port of the Pacific or western coast of the United States at any time before the expiration of three years from the date of original importation."

"Sec. 2977. Merchandise upon which duties have been paid may remain in warehouse in custody of the officers of the customs at the expense and risk of the owners of such merchandise, and if exported directly from such custody to a foreign country within three years, shall be entitled to return duties. But proper evidence of such merchandise having been landed abroad shall be furnished to the collector by the importer, and 1 per cent of the duties shall be retained by the Government."

"Sec. 2979. If the owner, importer, consignee, or agent of any merchandise on which duties have not been paid shall give to the collector satisfactory security that the merchandise shall be landed out of the jurisdiction of the United States, in the manner required by the laws relating to exportations for the benefit of drawback, the collector and naval officer, if any, on an entry to reexport the same, shall, upon payment of the appropriate expenses, permit the merchandise, under the inspection of the proper officers, to be shipped without the payment of any duties thereon."

These sections provide generally that dutiable articles of merchandise brought from a foreign country into a port of the United States and entered and bonded for warehousing, may at any time within three years be withdrawn from the warehouse and exported without the payment of any duties, or if the duties have been paid, that 99 per cent of the same shall be refunded. In such case, the merchandise not having entered into the commerce of the country, it is not within the meaning of the customs laws to be regarded as an importation.

An important question is what dutiable goods entering a port from a foreign country shall be "entered and bonded for warehousing," because it is to such merchandise and such only that the foregoing statutes apply. I have been unable to find any

statute which directly answers this question; but from a consideration of the various statutes relating thereto, it is apparent that all dutiable goods entering a port from a foreign country must be so entered and bonded, except such as are excepted by special statutory provisions, and the following statutes indicate the circumstances under which such merchandise need not be entered and bonded for warehousing:

By section 2776, Revised Statutes, it is provided that—

“Any vessel may proceed with any merchandise brought in her, and, in the manifest delivered to the collector of the customs, reported as destined for any foreign port, from the district within which such vessel shall first arrive to such foreign port without paying or securing the payment of any duties upon such merchandise as shall be actually reexported in the vessel * * *.”

Provided the manifest shall be delivered to the collector within 48 hours after the arrival of the vessel and proper bond be executed.

By section 3005 as amended by the act of May 21, 1900 (31 Stat., 181), it is provided that—

“All merchandise arriving at any port of the United States destined for any foreign country may be entered at the customhouse and conveyed, in transit, through the territory of the United States without the payment of duties, under such regulations as to examination and transportation as the Secretary of the Treasury may prescribe.”

It is clear that in neither of the instances mentioned in these statutes, to wit, where the merchandise is brought into and taken out of port on the same vessel, or where it is to be transported to a foreign country through the territory of the United States, is the merchandise to be considered as an importation, or to be entered and bonded for warehousing, provided the conditions prescribed by the statutes and the regulations of the Treasury Department be complied with.

The specific facts, however, here presented, to wit, where the merchandise is brought into port in one vessel for the purpose of exportation from the same port in another vessel, is not met by either of these sections, and since such a case is not excluded, then all dutiable merchandise entering a port from a foreign country intended for exportation in another vessel must be entered and bonded for warehousing; but such warehousing may be constructive, as is provided for by the Customs Regulations, articles 240 to 247, and not actual.

As shown by sections 2962, 2971, and 2977, Revised Statutes, which are above quoted, this would ordinarily make no difference, as such merchandise could be at any time within three years withdrawn for exportation without the payment of duties. But with reference to opium the difference was very material, for by paragraph 43 of the tariff act of 1897, after fixing the duties upon opium in its various forms and the preparations therefrom, it was provided that—

“Opium prepared for smoking and other preparations of opium deposited in bonded warehouses shall not be removed therefrom without payment of duties, and such duties shall not be refunded.”

Nothing could be more clearly expressed than the purpose that when opium should enter a port of the United States from a foreign country in such manner as to require that it be entered and bonded for warehousing, though it were intended for exportation and not to become a part of the commerce of the country, the duties fixed by law should be collected thereon, and should not be refunded. In other words, that the bringing of opium into port under such circumstances should be regarded as an importation thereof within the meaning of this paragraph of the tariff law. While this is a discrimination against opium, yet it is one that is clearly and unmistakably expressed in the tariff act, and to hold that it has no application to any opium which is intended for exportation would be to practically repeal by construction this positive provision of said paragraph 43.

I am aware that the circuit court for the northern district of California, in *McLean v. Hagler* (31 Fed., 602), reached an opposite conclusion on a like state of facts, but it appears to me that the sections of the Revised Statutes cited by the court in that case in support of its opinion clearly indicate a contrary view. For instance, the court cited section 2776, Revised Statutes, which permits merchandise to be exported, without the payment or securing the payment of duties, on the same vessel upon which it is brought into port, overlooking the logical conclusion that without this statute such merchandise would have to be entered and bonded though going out on the same vessel, and that inasmuch as the statute is specifically restricted in its terms, it can not be extended to conditions outside those restrictions.

Again, the court cited as exactly covering the precise case section 2979, Revised Statutes, which provides that upon the execution of a proper bond conditioned that the merchandise shall be landed out of the jurisdiction of the United States, it may be withdrawn and exported without the payment of duties, ignoring the fact that this

is a general statute antedating the tariff act then before the court, and that said act contained this specific provision relating to opium, which necessarily excluded that character of merchandise from the terms of the general statute.

I am of the opinion, therefore, that under the revenue laws existing when the act of February 9, 1909 (35 Stat., 614), was passed opium could not be brought into port from a foreign country and thence exported from the same port on another vessel without being subject to the payment of duties thereon.

The next inquiry, therefore, is whether or not the said act of February 9, 1909, changed the law in this respect. Section 1 of said act provides:

"That after the first day of April, nineteen hundred and nine, it shall be unlawful to import into the United States opium in any form or any preparation or derivative thereof,"

except that all forms or derivatives other than smoking opium may be imported for medicinal purposes.

Inasmuch, therefore, as the importation of smoking opium is by this statute absolutely prohibited, the necessary effect thereof was to repeal by implication all provisions of the tariff law relating thereto. If it can not be imported at all, certainly no revenue can be collected upon its importation. Moreover, that it was intended that no revenue should be derived therefrom, even when smuggled into the United States, is shown by that clause of the second section of said act, which provides that opium, when unlawfully imported, shall be forfeited, and when seized shall be destroyed and not sold, as would be necessary if it were subject to taxation.

Consequently, since the passage of said act, smoking opium is not subject to duty, and can not under any circumstances be entered and bonded for warehousing, and the law which makes the mere bringing of opium into port an importation for such purposes is, as to smoking opium, repealed.

As above shown, under the general customs laws, the entering of merchandise for immediate exportation and without any intention that it shall enter the commerce of the country, is not an importation. This principle has likewise been often held by the courts, the following being some of the cases in which it may be found: *Marriott v. Brune* (9 How., 619, 621); *Kidd v. Flagler* (54 Fed., 367); *The Mary* (16 Fed. Cases, 932); *United States v. Lyman* (26 Fed. Cases, 1024, 1028).

Therefore since smoking opium is no longer subject to the payment of duties, and as the bringing of opium into port by one vessel for immediate exportation by another is, since the repeal of the special statutory provision relating thereto, not an importation, its transfer from one vessel to another in port, can, in my opinion, be lawfully made.

Very respectfully,

GEORGE W. WICKERSHAM.

The SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, February 5, 1910.

Dr. HAMILTON WRIGHT,
Washington, D. C.

MY DEAR DR. WRIGHT: Referring to our conversation, relative to proposed bill imposing a tax upon and regulating the production, manufacture, and distribution of certain habit-forming drugs, marked Appendix I, and the proposed amendments to the act of October 1, 1890, regulating the manufacture of smoking opium within the United States, I have the honor to state that, at the direction of the Acting Secretary of the Treasury, I have gone carefully over both of these proposed bills.

I am of opinion that they are drawn in conformity with the present existing internal-revenue statutes; that the provisions of the bills are entirely practicable so far as efficient enforcement is concerned; and that the bills as proposed advantageously supplement the act of February 9, 1909, regulating the importation of opium.

I return the drafts of the bills herewith.

Very respectfully,

R. E. CABELL, *Commissioner.*

[H. R. 25242, Sixty-first Congress, second session.]

A BILL To amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February ninth, nineteen hundred and nine.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February ninth, nineteen hundred and nine, is hereby amended by adding the following sections:

"SEC. 3. That whoever shall receive or conceal on board of or transport on any vessel engaged in trade from any foreign port or place to any place within the jurisdiction of the United States, including the territorial waters thereof, or between places within the jurisdiction of the United States, the substance or article known or designated as opium prepared for smoking shall be deemed guilty of a misdemeanor and shall be fined not less than five hundred dollars nor more than five thousand dollars, or shall be imprisoned for a period of not less than one year nor more than five years, or both.

"SEC. 4. That whoever shall assist or facilitate the receipt, concealment, or transportation in any vessel of any opium prepared for smoking shall be deemed guilty of a misdemeanor and shall be fined not less than dollars nor more than dollars.

"SEC. 5. That if opium prepared for smoking has been received, concealed, or transported as aforesaid, the master of such vessel shall be guilty of a misdemeanor and shall be fined not less than treble the value of said opium, unless he shall prove to the satisfaction of the court that such receipt, concealment, or transportation was without his knowledge and that he exercised due diligence to prevent the receipt, concealment, or transportation of such opium, and caused thorough search to be made therefor, and made diligent inquiry among passengers and crew.

"SEC. 6. That this act shall apply as well to foreign vessels as to domestic vessels as defined in section three of the Revised Statutes.

"SEC. 7. That hereafter it shall be unlawful to export or cause to be exported from the United States, or from territories under its control or jurisdiction, or from countries in which the United States exercises extraterritorial rights where such exportation from such countries is made by persons owing permanent allegiance to the United States, any opium or cocaine, or any derivative or preparation of opium or cocaine, to any country which prohibits their entry, or to any country which regulates their entry: *Provided*, That opium or cocaine and preparations and derivatives thereof may be exported to countries regulating their entry, if and when the exporter conforms to the regulations issued by such country so regulating the importation of the aforesaid drugs; and the Secretary of the Treasury shall from time to time issue bulletins listing all countries which prohibit or regulate the entry of the aforesaid drugs, their derivatives and preparations.

"SEC. 8. That any person who exports or causes to be exported any opium or cocaine, or any derivative or preparation of opium or cocaine, in violation of the preceding section shall be fined in any sum not exceeding five thousand dollars nor less than one hundred dollars, or by imprisonment for any time not exceeding two years, or both."

[H. R. 25240, Sixty-first Congress, second session.]

A BILL To amend the act approved October first, eighteen hundred and ninety, regulating the manufacture of smoking opium within the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That an internal-revenue tax of two hundred dollars per pound shall be levied and collected upon all opium manufactured in the United States for smoking purposes; and no person shall engage in such manufacture who is not a citizen of the United States, and who has not given the bond required by the Commissioner of Internal Revenue.

SEC. 2. That every manufacturer of such opium shall file with the collector of internal revenue of the district in which his manufactory is located such notices, inventories, and bonds, shall keep such books and render such returns of material and products, shall put up such signs and affix such number to his factory, and conduct his business under such surveillance of officers and agents as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulation require. But the bond required of such manufacturer shall be with sureties satisfactory to the collector of internal revenue, and in a penal sum of not less than dollars; and the sum of said bond may be increased from time to time and additional sureties required, at the discretion of the collector or under instructions of the Commissioner of Internal Revenue.

SEC. 3. That all prepared smoking opium manufactured in the United States shall be duly stamped in such a permanent manner as to denote the payment of the internal-revenue tax thereon.

SEC. 4. That the provisions of existing laws covering the engraving, issue, sale, accountability, effacement, cancellation, and the destruction of stamps relating to tobacco and snuff, as far as applicable, are hereby made to apply to stamps provided for by the preceding section.

SEC. 5. That hereafter it shall be unlawful for any person to send, transport, or receive in interstate commerce any opium prepared for smoking.

SEC. 6. That a penalty of not less than dollars or imprisonment for not less than years, or both, in the discretion of the court, shall be imposed for each and every violation of this act; and all prepared smoking opium wherever found within the United States without the stamps required by this act shall be forfeited and destroyed.

SEC. 7. That nothing in this act shall be construed as modifying or revoking any of the provisions of the act of Congress approved February ninth, nineteen hundred and nine, entitled "An act to prohibit the importation and use of opium for other than medicinal purposes."

[H. R. 25241, Sixty-first Congress, second session.]

A BILL Imposing a tax upon and regulating the production, manufacture, and distribution of certain habit-forming drugs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every person who imports, exports, produces, or manufactures opium, morphia, coca leaves, cocaine, alpha and beta eucaïne, chloral, cannabis, their salts, derivatives, or preparations, and every person who further manufactures, compounds, deals in, or distributes the aforesaid drugs, or either of them, shall register with the collector of internal revenue of the district his name or style, place of residence, and place where such business is to be carried on, and at the time of such registry, and on or before the first day of July in each year, every importer, exporter, producer, manufacturer, wholesale manufacturing pharmacist, wholesale dealer or jobber shall pay to said collector a special tax at the rate of ten dollars per annum, and every retailer or distributor at retail shall pay to the said collector a special tax at the rate of one dollar per annum. That the word "person," as used in this act, shall be construed to mean and include a partnership, association, company, or corporation, as well as a natural person; and all provisions of existing law relating to special taxes, so far as applicable, including the provisions of section thirty-two hundred and forty of the Revised Statutes of the United States, are hereby extended to the special tax herein imposed.

SEC. 2. That there shall be levied and collected upon all of the aforesaid original drugs, to wit, opium, chloral, cannabis, and coca leaves now held by any such person, or hereafter produced or received, an internal-revenue tax of five cents per pound or fraction of a pound on opium, chloral, and cannabis, and one cent per pound or fraction of a pound on coca leaves, and said taxes shall be paid by affixing to each package or other receptacle containing such original drugs, before removal of the same from a customs warehouse, their place of manufacture or storage, and before being offered for sale, an engraved stamp, to be affixed and canceled in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe. That all provisions of existing law relating to internal-revenue stamps, including all penalties imposed for the reuse of such stamps, so far as applicable, are hereby extended to the stamps provided for in this act, and all such original drugs and all packages and receptacles containing the same not stamped as herein provided shall be forfeited to the United States and may be sold, subject to the provisions of existing law, to any person who has paid the special tax imposed by this act: *Provided*, That where such original drugs, after payment of the tax thereon, are further manufactured or compounded by any duly registered and bonded manufacturing chemist or manufacturing pharmacist, the packages or receptacles containing the same may, under regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, have affixed thereto, in lieu of the prescribed tax-paid stamps, such labels or marks as will show the payment of the tax on the original drugs before the same were further manufactured or compounded. And every person making application to register under the provisions of this act shall file with his application for registry a sworn statement showing to the best of his knowledge and belief the number of pounds of the aforesaid original drugs, whether such drugs are in their original shape or in preparation, in his possession at the date

this act goes into effect, and the collector with whom such application is filed shall collect the tax on such original drugs at the rate of taxation as provided for by this section.

SEC. 3. That every person importing, exporting, manufacturing, remanufacturing, compounding, or offering for sale any such drugs, their salts, derivatives, or preparations, shall keep such books, render such returns, and give such bonds as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may from time to time prescribe.

SEC. 4. That it shall be unlawful for any person to send or transport in interstate commerce any of the aforesaid drugs or any of their salts, derivatives, or preparations, to any person other than a person who has registered and paid the special tax as required by section one of this act, or for any person to receive, in interstate commerce, any of the aforesaid drugs or any of their salts, derivatives, or preparations, other than a person who is registered and has paid the special tax as required by section one of this act; but nothing contained in this section shall apply to public hospitals or to public or scientific institutions.

SEC. 5. That under such regulations, and upon the filing of such notices, entries, and bonds as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, any of the aforesaid drugs, their salts, derivatives, or preparations may be removed from a customs warehouse or from the place of manufacture or storage for export, free of the revenue taxes imposed by section two of this act; but upon the reimportation of any such drugs, their salts, derivatives, or preparations, the same shall be held in the custody of the collector of customs until the required internal-revenue stamps in payment of the tax and labels and marks imposed by this act have been placed thereon.

SEC. 6. That any person who purchases, receives, or sells, transfers, or gives away any of the aforesaid drugs, their salts, derivatives, or preparations, on which the taxes have not been paid or to which the labels or marks imposed by this act have not been affixed, or who violates or fails to comply with any of the requirements of this act, or any regulation issued thereunder, shall, on conviction, be fined not less than five hundred nor more than five thousand dollars, or be imprisoned not less than one year nor more than five years, or both, in the discretion of the court.

SEC. 7. That whenever on trial for a violation of this act the defendant is shown to have or to have had possession of the aforesaid drugs, salts, derivatives, or preparations thereof in violation of the meaning of this act, such possession shall be deemed sufficient evidence of such violation unless the defendant shall explain the possession to the satisfaction of the jury.

SEC. 8. That all returns required by this act shall be properly filed and recorded in the office of the Commissioner of Internal Revenue and under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may make. These returns shall be open to inspection, and certified copies furnished to the proper officials of any State or Territory or district, or other territory under the jurisdiction of the United States, or any organized municipality thereof, any or all of whom shall be charged with the enforcement of state, district, territorial, municipal, or other local laws or ordinances regulating the prescribing, dispensing, sale, or use of the aforesaid drugs, their salts, derivatives, or preparations.

SEC. 9. That the sum of one hundred and fifty thousand dollars, or so much thereof as may be necessary, be, and hereby is, appropriated for the purpose of carrying into effect the provisions of this act, and the Commissioner of Internal Revenue is authorized to appoint such agents, deputy collectors, inspectors, chemists, assistant chemists, clerks, and messengers in the field and in the Bureau of Internal Revenue as may be necessary to enforce the provisions hereof.

SEC. 10. That all laws relating to the assessment, collection, remission, and refund of internal-revenue taxes, so far as applicable to and not inconsistent with the provisions of this act, are hereby extended and made applicable to the taxes imposed by this act.

SEC. 11. That nothing in this act shall be construed as modifying or revoking any of the provisions of the act of Congress approved June thirtieth, nineteen hundred and six, known as the "pure food and drugs act," or any amendments thereof, or of the act approved February ninth, nineteen hundred and nine, entitled "An act to prohibit the importation and use of opium for other than medicinal purposes."

[H. R. 28971, Sixty-first Congress, third session.]

A BILL To amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February ninth, nineteen hundred and nine.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February ninth, nineteen hundred and nine, is hereby amended by adding the following sections:

"SEC. 3. That whoever shall receive or conceal on board of or transport on any vessel engaged in trade from any foreign port or place to any place within the jurisdiction of the United States, including the territorial waters thereof, or between places within the jurisdiction of the United States, the substance or article known or designated as opium prepared for smoking shall be deemed guilty of a misdemeanor and shall be fined not less than five hundred dollars nor more than five thousand dollars, or shall be imprisoned for a period of not less than one year nor more than five years, or both.

"SEC. 4. That whoever shall assist or facilitate the receipt, concealment, or transportation in any vessel of any opium prepared for smoking shall be deemed guilty of a misdemeanor and shall be fined not less than dollars nor more than dollars.

"SEC. 5. That if opium prepared for smoking has been received, concealed, or transported as aforesaid, the master of such vessel shall be guilty of a misdemeanor and shall be fined not less than treble the value of said opium, unless he shall prove to the satisfaction of the court that such receipt, concealment, or transportation was without his knowledge and that he exercised due diligence to prevent the receipt, concealment, or transportation of such opium, and caused thorough search to be made therefor, and made diligent inquiry among passengers and crew.

"SEC. 6. That this act shall apply as well to foreign vessels as to domestic vessels as defined in section three of the Revised Statutes.

"SEC. 7. That hereafter it shall be unlawful to export or cause to be exported from the United States or from Territories under its control or jurisdiction, or from countries in which the United States exercises extraterritorial rights where such exportation from such countries is made by persons owing permanent allegiance to the United States, any opium or cocaine, or any derivative or preparation of opium or cocaine, to any country which prohibits their entry or to any country which regulates their entry: *Provided*, That opium or cocaine and preparations and derivations thereof may be exported to countries regulating their entry if and when the exporter conforms to the regulations issued by such country so regulating the importation of the aforesaid drugs; and the Secretary of the Treasury shall, from time to time, issue bulletins listing all countries which prohibit or regulate the entry of the aforesaid drugs, their derivatives and preparations.

"SEC. 8. That any person who exports or causes to be exported any opium or cocaine, or any derivative or preparation of opium or cocaine, in violation of the preceding section shall be fined in any sum not exceeding five thousand dollars nor less than one hundred dollars, or by imprisonment for any time not exceeding two years, or both."

IMPORTATION AND USE OF OPIUM.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Wednesday, January 11, 1911.

The committee met at 10 o'clock a. m., Hon. Sereno E. Payne (chairman) presiding.

Present: The chairman and Messrs. Dalzell, McCall, Hill, Boutell, Calderhead, Fordney, Gaines, Longworth, Ellis, Clark, Underwood, Pou, Randell, and Harrison.

STATEMENT OF CHARLES A. WEST, OF BOSTON, MASS.

The CHAIRMAN. You may proceed, Mr. West. Give your post-office address.

Mr. WEST. My name is Charles A. West, I am a wholesale druggist. My post office is Boston, Mass. I appear in the capacity of chairman of the legislative committee of the National Wholesale Druggists' Association. The association have repeatedly, by resolution, at their annual conventions, favored legislation relating to habit-forming drugs. At the last hearing on this bill before this committee the resolutions were read which were passed at the Dallas meeting, so that I will not refer to those, as they are already a matter of record, but I want to call your attention to a resolution passed at the annual meeting in Richmond in October, 1909. This reads as follows:

The board of control recommend that the incoming committee on legislation be instructed to take steps to bring about the adoption of a national law regulating interstate commerce in habit-forming alkaloids.

I may say that the National Wholesale Druggists' Association, which I represent, is composed of about 375 members. It is an association incorporated under the laws of the District of Columbia, and represents a capital invested of about \$75,000,000, with an annual over-turn of about \$375,000,000. There are four bills, as I understand it, before this committee—H. R. 25240, H. R. 25241, H. R. 25242, and H. R. 28971. Respecting bills 25240, 25242, and 29871, we are heartily in favor of their passage. They are bills relating to smoking opium, and should be passed as presented. Our principal objection to bill 25241 is, in a general way, that it is altogether too great in its detail, and if enforced in its present position it would completely revolutionize the wholesale drug business. I want to make a few remarks respecting section 1, which provides:

That every person who exports, produces, or manufactures opium, morphia, coca leaves, cocaine, alpha and beta, eucaïne, chloral, cannabis, their salts, derivatives or preparations—

And so forth, shall pay a special tax.

We have no objection to the tax, but we think that there should be some definition defining what is a manufacturer, what is a wholesaler, and what is a retailer; and we would also object to the articles coco leaves, alpha and beta, eucaine, chloral and cannabis being included, for the simple reason that coco leaves, if a record is to be kept of that as is provided later on, is an article of very small moment to the drug trade, except to the manufacturer. Alpha and beta and eucaine practically have no sale whatever. Chloral is an article which is rapidly decreasing in sale, and cannabis is not what may be called a habit-forming drug. The use of cannabis is in making the preparation called hasheesh, and hasheesh is a combination of cannabis and opium, so that hasheesh, if it ever achieved any sale in this country, would be covered by the title "preparations."

Mr. DALZELL. You think those ought to be stricken out of the bill?

Mr. WEST. Yes; my idea is to have the bill as simple as possible and have it workable. Now, if you had merely opium, morphia, cocaine, their salts, derivatives, and preparations, it would be a much simpler bill to work and would accomplish all that is desired. As far as the special tax goes, I would say that I see no objection to that whatever. It has been proposed that the manufacturer should pay a larger tax than the wholesaler, but it seems to me it should be definitely determined where the line is to be drawn between the manufacturer and the wholesaler and the retailer. The principal objection to this bill, as far as the wholesale drug is concerned, is to section 2, which provides for a stamp tax. Now, anyone not familiar with the drug business might say that that was a perfectly desirable feature, but when you stop to think that the drug business is composed of certainly over 100,000 items in daily use, and this bill provides for a stamping on probably over 5,000 individual preparations, opium and morphine and chloral in all its forms, down even to the minutest tablets for hypodermic use, you will see what that means. The law also provides that the stock on hand, of manufactured goods, should pay a tax on the amount of crude material contained at the time the law went into effect. That would be, of course, absolutely impossible to determine from the very nature of the business. In order to make this bill workable, and to attain the object that is desired, it should be as simple as possible, and it seems to me that if you confined it to the three drugs I have spoken of originally—opium, morphines, and cocaine—it would serve its purpose much better than to have it contained through a long list of goods.

I called on the Commissioner of Internal Revenue yesterday and asked him for an explanation of what the provision meant, and he stated that he should require a stamp placed on every proprietary article containing even the minutest quantity of opium, morphine, or cocaine, in order to trace it to its finality. Now, that means that we would have to keep a record of over 5,000 items. On one side of the sheet we would have to put all that we buy; on the other side we would put down all that we sell; and we would strike a balance for such a time as the commissioner required. If the special agent called and found that our stock was in any way different from what it should be, then there is the penalty provided for in the internal revenue act, and it seems to me it makes the law appear ridiculous to think of carrying it out to such an extent.

The CHAIRMAN. Do you suggest any provision for that, to substitute anything for that provision?

Mr. WEST. No, sir. The committee felt that with the first section providing for a registration by a special tax of the manufacturer and wholesaler and retailer, and if each kept a record of his sales of these principal articles, it should serve every purpose.

The CHAIRMAN. Of course the design of that language is to prevent fraud in the sale; to prevent a circumvention of the law.

Mr. WEST. The object of this bill?

The CHAIRMAN. Yes. And you think that the first section will answer every purpose in that respect?

Mr. WEST. It seems to me so, sir. It seems to us of the committee that that is so. I may say, referring again to section 1 which provides for a special tax at the rate of \$1 per annum, that that would cover everything that a man might sell, every plaster that contained opium, every suppository, every drop of cholera mixture, every veterinary ointment, and everything of that kind.

Now, a law has been passed by several States, notably by the State of Massachusetts and the State of Michigan, and the State of Massachusetts has a law under the title of section 271 which provides:

That persons making sales, distribution, or disposition of cough remedies and other domestic and proprietary preparations: *Provided*, That such preparations are sold or distributed in good faith as medicines and not for the purpose of evading the provisions of this act: *And provided*, That such preparations do not contain more than two grains of opium, or one-fourth of a grain of morphine, or one-fourth of a grain of heroin, or one grain of codeine, or their salts, in one fluid ounce; or, if a solid preparation, in one avoirdupois ounce, excepting liniments and ointments which are prepared for external use only; or preparations containing opium or any of its salts, which are sold in good faith for diarrhea, cholera, or neuralgia; or powder of ipecac and opium, commonly known as Dover's powders; or compound medicinal tablets, pills, or powders containing not over one-twentieth of a grain of morphine, or one-twelfth of a grain of heroin, or one-fourth of a grain of codeine, or any of their salts, to each pill, powder, or tablet: *Provided*, That such preparations are sold or distributed in good faith as medicines and not for the purpose of evading the provisions of this act.

I would recommend that that be inserted in section 1. If such a section as that is not in the bill, it will apply to every general storekeeper in the country, who may be miles from a drug store, selling any horse remedy, any opium plaster, any suppository, or tablets, or anything of the kind.

Mr. DALZELL. Is that your judgment, that that will be adequate protection as the bill is now?

Mr. WEST. No, sir; my recommendation is that there be a separate section, section 2, and that the first section should read, "Whoever imports," and so forth, "except as provided in section 2."

Section 3 in the bill that is before the committee provides for the keeping of such books, the rendering of such bonds as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may from time to time prescribe. Well, I would like to have the committee imagine for a moment what it means to keep a record of every sale that you make, covering a list of 5,000 items, and it may be more than 5,000 items. One manufacturer, Parke, Davis & Co., has in its catalogue alone 466 items covered by this bill, and in various sized packages. One item would be a tube of 20 tablets, and there would be a tube of 100 tablets and a tube of 500 tablets.

Now, when you come to multiply that by the number of the assortments and by all the different manufacturers, 8 or 10 prominent large manufacturers of pharmaceutical preparations, you can see where 5,000 is even the minimum number.

Section 3 requires the giving of bonds. Now, it does not seem to me hardly necessary to ask a retail druggist or a wholesale druggist to give bond for a \$10 tax, and that he shall keep such books as the Commissioner of Internal Revenue shall prescribe.

The CHAIRMAN. Does not that cover everything except the \$10 tax? I have not that section before me.

Mr. WEST. It covers everything in relation to the bill. It covers the entire bill, and any regulations that may be made.

The CHAIRMAN. I presume they have followed the provisions of the internal-revenue law in that respect?

Mr. WEST. Yes; but when the internal-revenue law was drawn, it had particular reference to the collection of taxes on alcohol and tobacco.

The CHAIRMAN. I suppose druggists are generally prosperous, but some are not, and that applies to those that are not. Those that are prosperous can easily give a bond.

Mr. WEST. We do not like to have the law drawn so loosely as to give such extreme powers to the Commissioner of Internal Revenue and the Secretary of the Treasury. Whatever is desired, it seems to me, should be distinctly stated in the bill, and we should know exactly what we have to expect and what we have to provide for. You may get a radical man in for Commissioner of Internal Revenue, and he may make United States regulations that are almost impossible for the trade to follow out.

In section 4 in the bill we recommend the insertion of the word "knowingly" after the word "person" in line 11, and we recommend the insertion of the word "knowingly" in line 16, so that any one may be protected against the penalty for making an unintentional violation of the act.

The CHAIRMAN. That has already been suggested to the commissioner in some of those sections, the putting in of the word "knowingly."

Mr. WEST. That suggestion was made at the last hearing, as I understand it.

Mr. GAINES. What section are we talking about now?

Mr. WEST. Section 4.

The CHAIRMAN. That does not appear to be here. There is no amendment proposed to that section. You suggest the insertion of the word "knowingly" in section 4?

Mr. WEST. I thought that at the last hearing the word "knowingly" was suggested in some section.

Mr. DALZELL. That was in section 6.

Mr. WEST. Yes. I was going to make that same suggestion, but I would also make the suggestion that it appear in section 4, so that it should read:

SEC. 4. That it shall be unlawful for any person knowingly to send or transport in interstate commerce.

And in line 16 the word "knowingly" should be inserted, so that it shall read: "or for any person knowingly to receive, in interstate commerce."

If a man does not pay the special tax, he knows that he is not receiving it in accordance with the law.

Mr. GAINES. To whom would that apply, that provision as to receiving in interstate commerce? Might it not be held to apply to a railroad company or a warehouseman?

Mr. WEST. No, sir; that is covered by section 1, where it says: "every importer, exporter, producer, manufacturer, wholesale manufacturing pharmacist, wholesale dealer or jobber," is to pay the special tax. And this provision in section 4 refers to the delivery to any person who has not paid the special tax. At the end of section 4, lines 19, 20, 21—

Mr. GAINES. But you did not understand my question, I think, from your answer.

Mr. WEST. I beg your pardon?

Mr. GAINES. That language applies to any person who receives in interstate commerce any of these drugs, or any of their salts, and so forth, other than a person who has registered, and so forth.

Mr. WEST. Yes; exactly.

Mr. GAINES. Now, suppose a railroad company received them or a warehouseman received them. What does the language "received in interstate commerce" mean? Would not that mean every person who took it—who received it? It does not say any person who shall receive as a purchaser or owner.

Mr. WEST. The first part of that section reads:

That it shall be unlawful for any person to send or transport in interstate Commerce any of the aforesaid drugs.

I think your point is well taken, sir.

Mr. GAINES. I do not know whether it is or not. I simply suggest it for consideration.

Mr. WEST. Yes. I am not the author of this bill.

Mr. CALDERHEAD. For any person to transport, other than a person who has registered.

Mr. DALZELL. That language "to receive" is very indefinite.

Mr. GAINES. Further in that section 4 this language is used:

Or for any person to receive, in interstate commerce, any of the aforesaid drugs or any of their salts, derivatives, or preparations, other than a person who is registered and has paid the special tax as required by section one of this act.

Then it makes an exception of public hospitals and public or scientific institutions. If I were running a warehouse I would step to one side for safety, or let it stay in the depot or freight office.

Mr. DALZELL. "For any merchant to receive as consignee." Would not that cover it?

Mr. GAINES. That would relieve some people.

Mr. WEST. That is true.

The CHAIRMAN. You may proceed with your statement, Mr. West.

Mr. WEST. The last three lines in that section after the word "act," read "but nothing contained in this section shall apply to public hospitals or to public or scientific institutions." I do not see why public hospitals or public or scientific institutions should not pay the tax as much as the retailer. The tax is nominal—it is only \$1—and it is for the purpose of registering and controlling the sale and disposition of these drugs. There are over 8,000 hospitals in

the United States, and if the bill is to attain the object which is desired, I think that hospitals should not be omitted from that list. Certainly any hospital that is doing any business can afford to pay a dollar a year, and that puts them under the control of the Internal Revenue Department.

In section 6 it is suggested that the word "knowingly" also precede the word "purchases," so that it shall read:

SEC. 6. That any person who knowingly purchases, receives, or sells, transfers, or gives away any of the aforesaid drugs.

In the seventeenth line it provides for a penalty of not less than \$500 nor more than \$5,000. Now, it seems to me a penalty of not less than \$500 for a clerical error, an unintentional error, is almost too severe. I am speaking now purely from the point of view of the wholesale druggist and manufacturer. If one of our clerks should make a mistake and not make the proper entry, or not make a proper report, and was taken before the court, the court would have no discretion other than to fine him not less than \$500.

Mr. GAINES. I think that would be amended, anyhow. It is the policy now, as I understand it, to have penalties of that sort and to inflict not more than the extreme penalty, at the discretion of the court, leaving it discretionary with the court to impose however small a penalty the court thinks ought to be imposed.

Mr. WEST. I merely bring it to the attention of the committee for the benefit of the trade, that I would like to have that amended and not have a minimum penalty.

The CHAIRMAN. I suppose the trade is in entire sympathy with the general object of this legislation?

Mr. WEST. It is heartily in sympathy with it, sir.

The CHAIRMAN. How is that?

Mr. WEST. Not only the manufacturing trade, but the jobbing trade and the retail trade; they have all repeatedly passed resolutions favoring legislation which will control the sale of habit-forming drugs; but what we want is a simple law, one that can be enforced and will not inflict too much of a hardship on the trade. I asked the Commissioner of Internal Revenue yesterday what revenue he expected to obtain from this.

The CHAIRMAN. I suppose that is the object of all of it, Mr. West.

Mr. WEST. Yes.

The CHAIRMAN. The difficulty is in determining just what the terms of that law should be.

Mr. WEST. That is what I am here for, to tell you, in my modest way, what we think they should be.

The CHAIRMAN. It is pretty difficult to make it effective and not interfere more or less with somebody's business.

Mr. WEST. Speaking of carrying out the provisions of this bill, the Commissioner of Internal Revenue says he estimates that the revenue from this bill, as it is here, would amount to about \$200,000 a year, which it would cost him \$50,000 to collect. As far as the expense to the jobbing druggists is concerned, I do not think it would be inside of a million dollars. In our business it would take four clerks at \$600 a year each to keep track of the sale of these preparations, and if you multiply that by 400, the number of jobbers in this country, to say nothing about the manufacturers and the manufacturing

pharmacists, you can see very readily how quickly you would reach a million dollars. I did not refer to the great detail of our daily business. Take it in our house alone, we have from 700 to 1,000 orders a day, and each order would be composed of anywhere from one to a hundred items. Now, if we should have to go all through those and pick out every article which is covered by opium, morphine, chloral, and cannabis, and their salts and derivatives and preparations, it would revolutionize the business. We would have to separate our stock. We would have to separate our orders.

Next, I want to say that in place of stamping, it has been proposed that each manufacturer or each jobber should place his number on the package containing opium or any of the crude drugs, and for the manufactured drugs, rely upon the manufacturer's number.

MR. HARRISON. I understood you to say you desired to exempt coca leaves from this bill?

MR. WEST. Yes.

MR. HARRISON. Are they the raw material?

MR. WEST. They are the raw material from which cocaine is manufactured.

MR. HARRISON. Can anything else be manufactured from coca leaves?

MR. WEST. Nothing but the pharmaceutical extract of coca.

MR. HARRISON. What about this material they call Coca Cola?

MR. WEST. Coca Cola does not contain cocaine, I think. That is a proprietary preparation that the trade is not supposed to know about as to what it does contain. Dr. Wiley is trying to find out, I believe.

MR. HARRISON. Is it not a matter of common knowledge that it is manufactured from coca leaves?

MR. WEST. It is supposed to be, but that is a proprietary preparation.

MR. HARRISON. In your judgment is it not a habit-forming drug?

MR. WEST. I would call it a habit-forming drink.

MR. HARRISON. And also this stuff that is called Pepsi Cola, which you see advertised everywhere?

MR. WEST. As to that, I do not know, but I should suppose it was classed in the same list as Coca Cola.

MR. HARRISON. Is it not desirable, in your opinion, to include these habit-forming drugs with the others against which this bill is aimed, Coca Cola and Pepsi Cola and all those things that are sold to Negroes all over the South?

MR. WEST. I never thought of Coca Cola being included in this bill, but if Coca Cola is made from coca leaves, it would be another article we would have to keep track of, and we would have to report on. That did not occur to me before. As I say, every time that I look at this bill I strike something new in it.

THE CHAIRMAN. I supposed that a druggist kept track of everything he sold pretty much.

MR. WEST. They do not keep a record of everything.

THE CHAIRMAN. I supposed that they kept books and accounts in retail drug stores with reference to everything they bought and sold. I supposed that they did that now.

MR. WEST. Most of the States have poison laws.

The CHAIRMAN. Yes. That requires them to keep these detailed accounts, does it not?

Mr. WEST. Yes, it does; but I do not know how much they keep them up. In Massachusetts I know they keep them up very thoroughly.

The CHAIRMAN. They label everything that is poisonous?

Mr. WEST. Yes; they label poisons. They have a poison law.

The CHAIRMAN. It requires them to make a record of the sales?

Mr. WEST. To make a record of the sales.

The CHAIRMAN. That is universal?

Mr. WEST. Yes; it applies to all poisons.

The CHAIRMAN. Now, does this add materially to that in the States?

Mr. WEST. It does, so far as the wholesale dealer is concerned.

The CHAIRMAN. The wholesale dealer?

Mr. WEST. The wholesale dealer keeps no record.

The CHAIRMAN. This requires the wholesale dealer to do what the retail dealer does?

Mr. WEST. Yes.

The CHAIRMAN. And, of course, in order to make this law effective, you have to provide some means of tracing this stuff? The traffic is so very profitable, I suppose, and the stuff is so easily smuggled, so easily gotten into the trade in some secret way, that it becomes necessary to trace it, if possible?

Mr. WEST. That is quite correct.

The CHAIRMAN. Down to the source where it originates, and make a record of it. Now, the question is whether that is a possible thing to do, and it would seem to me that if the retailer could do it, possibly the wholesaler might.

Mr. WEST. That is all very well until you start to think of the number of items that are covered by this bill, of the number of items that are covered by the word "preparations."

The CHAIRMAN. I am sorry to learn that there are so many items. It only shows to me the necessity of effective legislation.

Mr. WEST. I hardly think you could put it just on that ground. You take a cholera remedy or an opium plaster; an opium plaster would not produce any habit. Take a corn remedy; that would not produce a habit. That is made of the extract of *Cannabis indica*.

The CHAIRMAN. The most that that regulation would do would be to make it so unprofitable to sell the stuff that wholesale druggists might go out of that part of the business.

Mr. WEST. What would the dear public do then?

The CHAIRMAN. That should reduce the number of these 5,000 preparations; and if that was the result, would it not be a good thing to happen?

Mr. WEST. No, sir; I do not think it would. What are you going to do with the physician who wants hypodermic tablets to relieve pain, or with the oculist who wants cocaine to make a solution for the eye?

Mr. GAINES. The consumer generally pays for a reform.

Mr. BOUTELL. May I ask you a question?

Mr. WEST. Certainly.

Mr. BOUTELL. Do you, as an expert—if you are willing to give an opinion in that capacity—think that this legislation, or any legisla-

tion that would be successful in preventing absolutely the sale of these drugs by reputable dealers, would stop appreciably the illegitimate use of these drugs?

Mr. WEST. I think it would stop, appreciably, the use; yes, sir. I do not favor this stamping provision, though, to do it. I think if a wholesale druggist is registered or a retail druggist is registered it puts him up onto the plane of a reputable merchant. The man who peddles cocaine on the street should not get a license. While I think of it, I wish to make one suggestion, and that is, suppose anyone can apply for a special license and pay the special tax of \$1. Now, that privilege should not be granted to anyone except they are conducting a legitimate business, a legitimate retail drug business.

Mr. BOUTELL. What I had in mind was whether this legislation, or even more sweeping legislation that was thoroughly effective in preventing the sale of these drugs by legitimate houses, would appreciably lessen the injurious use of them?

Mr. WEST. I think it would lessen the injurious use of them.

Mr. BOUTELL. Would it not simply result in the importation or transfer in interstate commerce, and the peddling out in secret, underhanded ways, of these drugs to about the same extent?

Mr. WEST. There is no doubt about that. There is no class of people who have been so cunning to obtain opium as the opium eaters, and I think the cocaine fiend is about the same. That has all been set forth. You are all familiar with De Quincey's book on opium eating. It shows the subterfuge.

Mr. BOUTELL. What I had in mind was that the chance of profit was so great in handling these drugs, and they are so easily handled and so readily concealed, and the temptation is so great, that we are not going at the suppression of this vice in a very intelligent way.

Mr. WEST. I think you are quite correct, sir.

Mr. BOUTELL. It is a very easy thing to come in here and put on an internal-revenue tax and say that we have made all men abstemious and moral by an internal-revenue tax, but I have very grave doubts whether the correction is equal to the claim.

Mr. WEST. I think you are right. Suppose this law goes into effect now; you do not prevent the sale; you do not stop the man from selling. He can sell all that he wants to. There is no law against it.

Mr. BOUTELL. One other thing; you do not destroy the appetite?

Mr. WEST. No, sir; you do not.

Mr. BOUTELL. Any more than a prohibition law in a prohibition State prevents the drinking of anything that has alcohol in it.

Mr. HARRISON. But is it not true that if you make it more and more difficult to get those things, you lessen the number of the persons who acquire the habit in the first instance?

Mr. WEST. That is an open question. I am not prepared to answer that. The hope is by this bill to control it in such a way that the habit will decrease; but I do not think it can be done by this bill. I would be perfectly willing, and our association would be perfectly willing, to have the bill tried along the lines that I have suggested, taking opium, morphine, and cocaine and their salts and derivatives, with the exceptions that I have noted there in section 2.

The CHAIRMAN. I suppose the same argument would hold good against all police regulations by the State against the sale of these drugs?

Mr. WEST. Yes, sir. This bill here is practically a police bill.

The CHAIRMAN. If it is an argument, I suppose it would hold good in that case just as well as in this, and the consensus of opinion in all States seems to be that it is worth while to put these State laws on the statute books in an effort to restrain or stamp out the practice.

Mr. WEST. Most of the States have opium and cocaine laws now.

The CHAIRMAN. And you are in sympathy with that class of legislation?

Mr. WEST. Yes; certainly we are in sympathy with anything that will stop or restrain the use of habit-forming drugs.

Mr. BOUTELL. Right in that connection, is it not a fact that with all these State laws—I think we have had it in evidence—the use of cocaine within the last five or six years has increased enormously?

Mr. WEST. There is no doubt about it, sir. There is one thing that this bill will correct; it will make it all the harder for a dealer or peddler to get his cocaine, because if he can not get it from his own State, under this bill he could not get it in interstate commerce.

The CHAIRMAN. But that would not lead you to an argument in favor of the opening of free joints everywhere?

Mr. WEST. No, sir; I do not know that I have anything more to say.

STATEMENT OF MR. WILLIAM J. SCHIEFFELIN, PRESIDENT OF THE NATIONAL WHOLESALE DRUGGISTS' ASSOCIATION.

Mr. SCHIEFFELIN. Without any opposition to this bill, or criticizing the features of it, I am suggesting certain improvements, and I am in favor of the bill, and I would like to add something to what the chairman of the committee on legislation of the National Wholesale Druggists' Association has said in his statement, because I am the president of the National Wholesale Druggists' Association and have been working for a number of years to have some such Federal legislation supplementary to the State legislation. This is not a bill to prevent the sale of these drugs; it is a bill to make it possible to enforce State laws by tracing the sources of these drugs, and finding out how much is imported or manufactured, and where all that is manufactured goes to. Then the State authorities can take action. The way it is now, the commissioner of police of New York City wrote that it was impossible to trace where the cocaine comes from, because the moment the New York law was enforced the class who wished to evade it imported their cocaine from abroad, or else from other States where it is manufactured. This is merely a device to render effective these State laws by tracing all of the morphine, cocaine, and opium sold; but I want to point out that it is exceedingly important not to overload this law with provisions that would render it ineffective and would defeat its purpose. It is hardly possible to require that every one of the wholesalers and retailers shall register every preparation that they sell that contains a fractional amount, even to the faintest trace. The Commissioner of Internal Revenue said that under this law, even if there was one hundredth of a grain of morphine in a preparation, it would have to be registered. In the first place, neither the retailer nor the wholesaler is able to do that, and, in the second place, this system, as provided here, of following it up would hardly carry this out. What I would

like to suggest is that instead of requiring supplementary stamps on these things, each wholesaler and retailer should have his license number, and should be required to place that license number on every package that he sells.

Then, if I manufacture cocaine and sell it to a wholesaler in Philadelphia it will bear my number, and if he sells it to a retailer it will bear his number, and it can be traced back, and that would do away with the stamps and the supplementary stamps, and it would be possible, instead of having this stamp provision, to have a higher license, and secure all the revenue needed from the license part of the law from the special tax on the dealer. But that paragraph 2, as suggested by Mr. West, is to us very important. Otherwise the law will be so burdensome that it will probably not be enforced or enforceable. I simply wanted to ask that. I would say for the benefit of Mr. Calderhead that this is not for the purpose of prohibiting the sale, but it is one of the links in the chain that is absolutely essential in order to restrict the traffic in these drugs to its legitimate channel. I will be glad to answer any questions that occur to any members of the committee.

Mr. CLARK. Is the habit of using these drugs increasing, notwithstanding all the laws?

Mr. SCHIEFFELIN. There seems to be an increased demand for morphine. There is a decidedly decreased consumption of cocaine, so far as I can find out. Our sales have diminished by one-third since the State laws have been put into effect.

Mr. CLARK. What is the reason the State laws do not diminish the use of opium, too?

Mr. SCHIEFFELIN. Because they do not include morphine. There have been special laws for cocaine in very many States.

Mr. CLARK. Is cocaine any worse than opium?

Mr. SCHIEFFELIN. Well, that would be very difficult to say. Its effects are somewhat different, and we would be glad to see this experiment tried on cocaine first, and if it is effective, apply it then to morphine; because everyone would be glad to trace up the cocaine and see that it is only used either in surgical operations or in other proper ways.

Mr. CLARK. Is it true or not true that the use of narcotics, intoxicants, and all that kind of stuff, is increasing or diminishing, when you consider the number of people?

Mr. SCHIEFFELIN. I do not know anything about the intoxicants. I understand there is less liquor drank than there was 20 years ago, per capita.

Mr. CLARK. The trouble about that is that the Government statistics show that there is more drunkenness. I do not believe it.

Mr. SCHIEFFELIN. Do they not count what is used in manufactures? Do they not count it all?

Mr. CLARK. The revenue is increasing from spirituous liquors. Now, if you can get away from it by the statement you make, that it is used in manufactures, I can understand it.

Mr. SCHIEFFELIN. I think it is likely.

Mr. CLARK. But you know and everybody else knows that people are getting more sober instead of more drunken than they used to be.

Mr. SCHIEFFELIN. It looks so.

Mr. CLARK. Is it any worse to use these drugs than to use intoxicating liquors?

Mr. SCHIEFFELIN. Very much so.

Mr. CLARK. Why?

Mr. SCHIEFFELIN. It probably means death; and almost certainly it means insanity.

Mr. CLARK. The other means death and insanity too?

Mr. SCHIEFFELIN. Oh, no.

Mr. CLARK. If you keep on at it?

Mr. SCHIEFFELIN. I can not agree.

Mr. CLARK. People have delirium tremens and all that kind of stuff.

Mr. SCHIEFFELIN. Comparatively few.

Mr. CLARK. Now, the only difference is that it is easier to sell this stuff, is it not?

Mr. SCHIEFFELIN. Oh, no; the effects are very different.

Mr. CLARK. Brother Boutell, here, suggests that this kind of thing may just increase the bootlegging in this kind of article. Is that true or not?

Mr. SCHIEFFELIN. You mean the illegitimate use?

Mr. CLARK. The more restrictions you put around it the more you drive it away from legitimate druggists into the hands of what you call bootleggers?

Mr. SCHIEFFELIN. Absolutely. I would like to see it entirely driven into the hands of bootleggers.

Mr. CLARK. That is where you want it driven?

Mr. SCHIEFFELIN. Yes; the drug trade wants to handle these things with clean hands, and only sell them for legitimate medicinal purposes, and have nothing to do with supplying the victims of the habit.

Mr. CLARK. You think these laws already passed by the States regulating or forbidding or controlling the sale of cocaine have really done some good, then?

Mr. SCHIEFFELIN. Without doubt.

Mr. CLARK. Why not pass the same kind of laws about morphine, and all that kind of stuff?

Mr. SCHIEFFELIN. They are gradually doing that. It is easier to control cocaine than it is morphine.

Mr. CLARK. My own observation about it is that the use of cocaine among colored folks has diminished at least one-half in the last six or seven years down in our part of the country.

Mr. SCHIEFFELIN. You can not ever generalize from special places.

Mr. CLARK. I know that.

Mr. SCHIEFFELIN. Cocaine is like an epidemic: it will be prevalent in one little village and in the next one, only a few miles away, there will be none sold. It is an extraordinary thing in that way. It is contagious. There are one or two questions which were asked Mr. West that I would like to speak about, especially in regard to interstate restrictions. Any man who goes into a retail drug store and buys a remedy is not engaged in interstate commerce, but if he goes out of the State to the seaside and writes back to his pharmacist at home to fill a prescription, then he is engaged in interstate commerce, and I think to that extent, and to that extent only, this would interfere with the retailers' business, and I see no way to avoid that. Mr.

Chairman, there is one thing more. I would suggest that in section 2, which Mr. West read, there be added these lines:

Provided, That nothing in section 2 shall prevent the provisions of this act from applying to soothing sirups or medicines for infants.

With that proviso I think section 2 would make the law a workable law, whereas the opinion of the drug trade is unanimous that it could not be worked unless that section 2 be inserted; and it is hoped that the matter of tracing up by numbers will be substituted for the one of tracing up by supplementary stamps.

Mr. GAINES. Have you consulted the Commissioner of Internal Revenue and asked his idea of the substitution of numbers for the stamps?

Mr. SCHIEFFELIN. No; I have not had the opportunity to do that.

Mr. GAINES. It seems to me, just as you suggest, that it is quite a revolution in their practice down there, and might meet with considerable objection there.

The CHAIRMAN. We must have some order about this. How many gentlemen are there here who want to be heard?

(Several gentlemen announced their desire to be heard by the committee.)

The CHAIRMAN. That is sufficient. You may proceed, Mr. Schieffelin.

Mr. SCHIEFFELIN. The commissioner suggested that if each licensee had a number and placed that number on the goods when he filled an order, when the wholesaler filled the order that would be good evidence that that order was filled in good faith and knowingly by the wholesaler, and if the wholesaler filled an order that had no such number on it, it would be evident that he had violated the law. Now, the suggestion that I make goes but one further, and that is that the law should require that every package sold should have the seller's number on it as well as the number of the wholesaler or manufacturer from whom he bought it. That would enable us to trace downward and upward the source of the drug. That suggestion has not yet been made to the commissioner.

STATEMENT OF MR. CHARLES M. WOODRUFF.

The CHAIRMAN. I want to suggest to the gentlemen that they should take as short a time as they can, reasonably, because there are others to be heard.

Mr. WOODRUFF. I will try and be very brief and to the point.

The CHAIRMAN. Give your name and your post-office address to the stenographer.

Mr. WOODRUFF. My name is Charles M. Woodruff; attorney representing six of the principal manufacturing pharmaceutical houses of the country, including Parke, Davis & Co., Stearns & Co., Nelson Baker, of Detroit, and Sharpe & Dohme, of Baltimore.

Mr. Chairman, I speak from a knowledge. I have been connected with Parke, Davis & Co. in almost every capacity, outside of the practical workings of the chemical laboratory in the manufacturing pharmacy, for 28 years. During that time—from the beginning of that time—I have had charge of the correspondence, and for 28 years all the letters we have received not coming from those whom

we had reason to believe—those that our credit department had reason to believe—from the commercial agencies and other sources of information were wholesalers and druggists, calling for morphine preparations or for cocaine preparations, have been submitted to my inspection as an expert, so to speak, to judge whether they were from fiends or those who desired to supply fiends, and invariably they have come with money, and the money has been returned. We have had a system for 28 years of trying to keep, so far as possible, morphine, and later cocaine, out of the hands of even doctors, for there are some physicians scattered all over this country who have been destroyed by the habits.

We have no objection to a law in support of the State laws restricting the sale of cocaine and morphine. We are in sympathy with the State laws so far as their purpose is concerned, but in some of the States the requirements for keeping records are so complex, so complicated, that it is impossible to comply with them.

Now, it has been suggested, I think, Mr. Chairman, that if the retail druggist can keep a record of his sales of poison, why not the manufacturer? Think a moment. The retail druggist is approached by a customer who wants an ounce or half an ounce of one of these drugs. The druggist can jot down in his book, "John Jones, half an ounce of such and such a thing for such and such a purpose," right on the spot. We get anywhere from 300 to 400 orders every day, requiring a force of from 100 to 250 clerks in checking them up, assembling them, and so forth, and they come in this shape: Here is a sample-line order, beginning with the fluid extracts. Here is a price list of fluids, solids, and powdered extracts, and so forth. This is a sample-line order. That is intelligible to us, because each preparation has a number. It is intelligible to our order clerks, because every preparation has a number. Every package which is sent out by the pharmaceutical manufacturer bears an individual number that will enable him to trace it back to the very source of the crude-drug supply. Now, if any of the members of the committee here will go into this subject with me and show me how we can keep the record required by this bill and not make a clerical omission, I would be glad to consent to keep the record. This same question, Mr. Chairman, came up in Michigan, when it was proposed to enact cocaine laws similar to the New York State law and the Illinois State law. The State Pharmaceutical Association in Michigan complimented me by calling me in for advice. I showed them the impracticability of these laws, and I showed them a way out of it so that the object of this record could be attained. The Michigan law is like this. The sale of certain habit-forming drugs is forbidden. Then I am going to show you how this law can be fixed. Then, though wholesalers and retailers and manufacturers and physicians may, under certain restrictions, sell, and so forth, yet the manufacturer or wholesaler who supplies the retailer must have an order written upon a separate sheet of paper, not containing other items, inhibited by the law, signed not only by the man, but in the capacity in which he purports to buy, "John Jones, registered pharmacist," and under that law if the man signs the words "registered pharmacist" for the purpose of getting the cocaine or morphine he is penalized. The time has come, Mr. Chairman, when we must stop making a goat of the manufacturer. The welfare of this country depends

upon the welfare of the manufacturer. Now, the manufacturer or wholesaler can not fill the order unless it is signed "John Jones, registered pharmacist." If that man signs as a registered pharmacist and is not a registered pharmacist, he comes within the law.

Now, another thing; it is easy for the manufacturer. These orders we must keep on file for five years, just the same as under the State law the retail pharmacist must keep his prescriptions on file for a definite period. These files are arranged on a sort of card system. All of John Jones's orders are together. Our inspectors, any time they please, can walk into our establishment and run these orders over and find who are buying. It is easy for the wholesaler and manufacturer, and it accomplishes all the purposes of the law. Another thing. Massachusetts, after looking over the various State laws, adopted the Michigan law, with this addition, and it is an improvement. We are trying to get it in the Michigan law during the session. The possession of cocaine by an unauthorized person is an offense. I speak of this, Mr. Chairman, to show that it is possible to reach the habit, as far as it is possible to reach it by any positive law, by a law that will not throw the whole burden upon the manufacturer or the wholesaler. This measure is hardly a police measure and it is hardly a revenue measure. I am not going to take any more time now, unless to answer questions, except to read a tentative bill, very short, that will reach the evil, a bill that will reach the evil that this bill seeks to reach. I have written this this morning after thinking of the matter. I will read it. It is as follows:

A BILL To regulate interstate commerce and commerce with foreign nations and Indian tribes in certain habit-forming drugs.

Be it enacted by the Senate and House of Representatives in Congress assembled, That it shall be unlawful for any person who can not lawfully purchase, receive, sell, or give away or possess any opium, morphine, cocaine, alpha or beta eucaine, chloral, Cannabis, their salts, derivatives, or preparations, in the State, Territory, or insular possession in which he may reside or be, or to whom it is unlawful to sell or give away any such drugs, their salts, derivatives, or preparations in the State, Territory, or insular possession in which he may reside or be, to import or receive any of said drugs, their salts, derivatives, or preparations from any other State, Territory, insular possession, or from any foreign country.

SEC. 2. That any person violating any of the provisions of this act shall, on conviction thereof, be fined not more than one thousand dollars for each violation or imprisonment for not longer than one year, or both such fine and imprisonment, in the discretion of the court.

SEC. 3. That the word "person" as inserted in this act shall be construed to mean and include a partnership, association, company or corporation as well as a natural person.

MR. DALZELL. It seems to me that we would not have any jurisdiction under that at all.

MR. WOODRUFF. You understand I am only suggesting how the evil can be reached.

The CHAIRMAN. Or Congress, either.

MR. WOODRUFF. But, Mr. Chairman, if we are to have a revenue measure, let us have a revenue measure.

The CHAIRMAN. I think it is not worth while to spend very much time on that statement which you have there; it is not worth while to read it. You can have it printed if you want to. You can only amend this bill by still using the taxing power to accomplish the

object. We have not jurisdiction over interstate and foreign commerce in any other way.

Mr. WOODRUFF. I understand that, Mr. Chairman.

The CHAIRMAN. Then you would not be competent to take up that bill in this committee.

Mr. WOODRUFF. But I want to point out the evil that can be reached by this bill. If this bill does not prevent any party in Detroit—

The CHAIRMAN. Well, I will not spend any time arguing on it. If you want to go on upon this matter go ahead.

Mr. WOODRUFF. We insist that the requirements of this bill can not be met. We want restrictions made which it is possible to comply with. The provision respecting the penalty I understand has already been spoken of, and the manufacturing pharmacists would be glad to comply with an act that it is possible for them to comply with.

STATEMENT OF DR. WILLIAM MUIR, OF BROOKLYN, N. Y.

Dr. MUIR. I appear in behalf of the retail pharmacists of the State of New York. The New York Pharmaceutical Society authorized me to be present here to oppose this measure. Now, in New York we feel as though we have passed the best prohibitive laws in this country. We have a law similar to that of Massachusetts, under which, if you have possession of cocaine, it is presumptive evidence of dealing in it; but you realize the hardship that this is going to cause to the retail trade and the pharmacists of this country. We have heard the wholesalers, who claim that it will be so much trouble to enforce that law. Now, look upon it from the retailers' side, who have not got 400 clerks in an establishment to keep records, and who have everyone of the 641 preparations in the manufacturing house in the store. The pharmacist has to handle those preparations alone. There are 641 preparations that a pharmaceutical house has put out in hundreds and thousands, and he has to sell them in fives and tens and all alone in his store. It would be a physical impossibility, no matter how honest he was, no matter how honorable the man was, to keep a record of the preparations containing morphine, chloral, cannabis Indica, and all those things. Every time he sold a corn cure he would have to run to that sheet and make a record of it. Somebody told me that this would only affect interstate commerce, and I can see the object of making it a dollar, so that it would be enforced under the internal revenue by having the retailers give a dollar and make a bond and make monthly returns of the amount sold.

Now, this bill does not prohibit the sale. I heard one gentleman here say that it furnished statistics for future legislation. Does this House want to put 40,000 retail druggists to work on a schedule, writing down on a sheet of paper everything they sell, so as to furnish statistics for future legislation? The druggists work 14 hours a day—16 hours, some of them—to earn a living. I can assure you that an honest man would walk the floor the other 8 hours, instead of sleeping, if he had to try to conform to this bill. It could not be carried out; he could not make the data of every sale. This reminds me somewhat of a State law, and I think it is applicable, because in New York they register laudanum. This happened to me in the

store. A lady came in and asked for 2 ounces of laudanum for a poultice, and after she had it I had to record it in a book. She said, "What is the object? I have the laudanum, and now you have to record it." I said, "Yes; it is according to law." She said, "Oh, yes; I understand. If I commit suicide, you want to know where to go to the funeral." So that this bill does not prohibit the sale; a man gets the drug he wants.

Now, this provides for a bond. No bonding company will bond a man for less than \$7.50. In fact, I think when they find out how liable a man is to make a mistake under this law, these bonds will be very expensive—more than \$7.50—because they look upon those things as to the risk, and when they realize what it means for a man to keep records without making errors you can readily see what they will think of it.

The wholesalers, of course, have a grievance about the number of clerks it will take. The retailer in the same manner oftentimes has a relief clerk only one day in the week. He can not afford to have a clerk. That relief clerk comes in for one day in the week; and see the errors he might make for the proprietor. He might not make the records, or if he was a discharged clerk, he could go to his files and show where that man did not have the records and did not keep the records, and he would be at his mercy all the time, trying to comply with the law. If this prohibited the sale or in any way lessened the sale it would be different, but this keeping the record does not do that. It merely gives a man the right to sell them. He will have to sell them under the State law, of course, but I think the State takes pretty good care of this thing. All the States are coming around, and I do not feel that this great country is going to ruin. I heard one man say before the New York Board of Health, that 50 per cent of the people are using dope. I think the majority of people to-day are strong and healthy. I told him that he must have visited a sanitarium to get that idea, and if he would just go out into Central Park he would see the finest, strongest, most robust specimens of manhood that he could find anywhere in the world. I believe that this country is all right. Education has come along and we have found cocaine, which is a new thing. I admit the curse of cocaine, and I was active in the prohibition of it in New York State; but how many men understood it when it first came out? The doctors themselves did not understand it. They applied it to Gen. U. S. Grant freely when it first came out, and they did not know that it was going to make a dope fiend of anyone. It was hailed as a great discovery of something to relieve pain. Now we have found that it is a bad thing. The State laws prohibit it and do not allow it to be put up. But look at the remedial effect of opium to relieve pain; look at the good side. It is wonderful what it has done for pain, to relieve it. Every doctor has it in his saddlebags or his hand bag. Every one of them carries in his pocket with a hypodermic. We admit there is wrong comes from good things. We admit there are a good many people killed by automobiles; but there is a good deal of pleasure gotten from them; and this idea of stamping this out and killing it is wrong, because you can not stamp it out with any such means as this.

The CHAIRMAN. The committee realizes all that. This matter came up two years ago here with a bill to prohibit by a large import duty

the importation of the drug opium prepared for smoking. That was the entire scope of that bill, as I recollect it. While that bill was being discussed before the committee—and it came in so late that the discussion and action was very hasty—a member of the committee, Mr. Gaines of West Virginia, insisted that it did not avail at all to regulate the manufacture of smoking opium in this country or regulate the sale of it, and he suggested that there ought to be an amendment to it applying the internal-revenue laws. If we passed the bill, we could not wait for that amendment, so that we passed the bill as it stood. Then the same gentlemen who were interested in that bill came in with two or three bills amending the tariff bill on goods imported from abroad, and also with one or two bills applying the internal-revenue laws. What this committee would now like to get at in a practical way would be the action of these drugs, and especially when they are prepared to satisfy a habit and not to relieve pain, from a medical authority, or somebody of that kind, and to regulate the sale of it, and in collecting the facts to follow out the matter in the least burdensome manner to make the law effective. We are all familiar with the value of these drugs. I suppose there would not be any difference between any two gentlemen in this room regarding the value of the drugs, and, on the other hand, there would be no two gentlemen who would disagree about the terrible effects of the habit of taking these drugs. That is the question we want to get at; that is the question, and we would like information on that subject.

Dr. MUIR. We say that these preparations under the United States Pharmacopeia should be exempted from these provisions. They are prepared for another purpose, and we think that they should be exempted, and physicians' prescriptions.

The CHAIRMAN. Why not confine it to smoking opium?

Dr. MUIR. We do not sell smoking opium.

Mr. GAINES. I confess, Mr. Chairman, I do not exactly see how this bill reaches the preparation of opium in this country for smoking.

The CHAIRMAN. There are two or three other bills to which your attention has not yet been called.

Dr. MUIR. As to opium prepared for smoking, we do not mind what is to be done. That ought to be stamped out and prohibited.

Mr. HARRISON. How would it do to exempt from a bill with such provisions as this, preparations containing only a certain percentage of these drugs, unless the percentage be fixed by law? They can not be habit forming.

Dr. MUIR. That is a step in the right direction, the same as the local law in the District of Columbia, which governs here. I believe they are working under a bill which allows an ounce of paregoric as a household remedy without registration, at two grains to the ounce, and so on.

Mr. HARRISON. Would not that remove all these difficulties of the retail druggists of which you speak?

Dr. MUIR. It would to a great extent. It would be far better, however, to exempt the United States pharmacopeal preparations made in the United States, and provide that the law should not apply to any of these preparations made up with that intention. There is no smoking opium in that. They are all made up by the conventions of physicians and pharmacists from all over the country, and

they should be exempt from the provisions in this bill, because the States will take care of the other part of it. But suppose a man came in for any one of a great number of things in which there are two or three simple preparations; the druggist will have to rush back and make a record of those, or else worry all day because he forgot something. It is impossible to comply with that. He could not do it. He might do the best he could, but it would be impossible. I have been a practical pharmacist for 35 years, and I know what it is to do right, but a thing of this kind, although I am as honest as any man, I could not carry it through. I could not do it.

We had a meeting yesterday afternoon of 500 of the best druggists in Brooklyn, at which we discussed this matter, and there were resolutions passed and we did not favor this. If you want to know the reason why we did not take action here, I will tell you we thought this bill would fall by its own weight. It did not stop the sale of anything, it did not lessen the sale of anything, but it licensed a man to do it, and we could not think that such a bill would become a law, and that is why you have not heard from the retail trade here. Now we are awake and now that the bill has a chance of passing, you will hear more from the retail trade than you ever did before.

BROOKLYN, N. Y., *January 10, 1911.*

DR. WILLIAM MUIR, *Chairman,*
Hotel New Willard, Washington, D. C.

DEAR SIR: The Kings County Pharmaceutical Society, representing 500 registered pharmacists, in session Tuesday, January 10, 1911, unanimously passed a resolution opposing the passage of the "Foster bill," as it now stands, and authorize you as chairman of the legislative committee to appear at the hearing in Washington.

Yours, truly,

ANDREW E. HEGEMAN, *Secretary.*

STATEMENT OF MR. HENRY B. HYNSON.

MR. HYNSON. Mr. Chairman and gentlemen, I make no personal claim to appear before you. I represent the oldest pharmaceutical firm in this country which has representatives in all the States and Territories. I would like to read these extracts from the record of the proceedings of the Pharmaceutical Association:

Mr. Hilton moved that the association go on record in support of the Foster bill, with certain modifications.

Mr. Hallberg moved as a substitute that the recommendation be changed to the effect that the association approve of any proper regulation of the handling of narcotic or habit-forming drugs in interstate commerce. The motion was seconded by Mr. Dittmayer, of Pittsburg, and was adopted.

As representing this association I take the liberty of reading just briefly for a few minutes, so that I will not waste any of your time, the following. I submit this for the American Pharmaceutical Association:

Fourth. That the absolute prohibition of interstate commerce in these drugs, except between those registered under this act as provided for in section 4, will entail unjust, unkind, and injurious hardships upon many citizens residing near the border lines of our respective States and upon those citizens who may temporarily reside outside of their own States and away from their regular physi-

cians and pharmacists. It would, therefore, seem that legitimate sales on the original prescriptions of physicians should be exempt from the operations of this law. To the several States must be left the control of the writers of prescriptions, within their respective borders.

That section 6 provide a penalty for the nonpayment of the special tax on the salts, derivatives, and preparations of the cited drugs, when no provision for the laying and rating of such a tax has been made. Because of these facts and to make our contentions more explicit and exact I most respectfully submit these several amendments for consideration.

I will not read any further from these comments upon the Foster bill, but will submit them for the record for your consideration.

The CHAIRMAN. Hand that to the stenographer and it will be printed in the record.

The paper referred to and submitted by Mr. Hynson is as follows:

To the honorable COMMITTEE ON WAYS AND MEANS,

House of Representatives.

GENTLEMEN: Representing the American Pharmaceutical Association, founded in 1852 and always, since then, actively and earnestly engaged in promoting the public welfare, in connection with the practice of pharmacy I, Henry P. Hynson, chairman of its committee on national legislation, and, in its behalf, respectfully submit, for your careful consideration, the following comments upon H. R. 25241, introduced by Mr. Foster of Vermont, April 30, 1910, and printed:

First. That the list of drugs and chemicals appearing in section 1 is incomplete, since it does not include a number of synthetic products, namely: Alypin, novocaine, and holocaine, which are neither derivatives nor salts of any of the drugs nominated, but which have the same harmful and destructive qualities as cocaine; also that no provision is made, if possible, to control the importation and sale of other synthetics of like nature that may be subsequently introduced. Special attention is also called to the desirability of mentioning the trade-marked name of such a derivative as diacetyl morphine, marketed as "heroin."

Second. That it is practically impossible to satisfactorily or effectively separate manufacturers and dealers, to be registered under the act, into the wholesale and retail classes provided for; the lines between these, in many and nearly all cases, is imperceptible. A large number of jobbers sell at retail and many more retailers sell at wholesale. Nearly all retail pharmacists manufacture these so-called original drugs into their various preparations. It would seem wise, therefore, to have but one class of registered dealers under this act, each paying a uniform fee of, say, \$2, and that the bond of each shall be in proportion to the amounts of these drugs a person may handle.

Third. That section 2 is involved, ambiguous and not in accord with section 6. Also that it is faulty in the provision that requires a special tax to be paid upon crude products and allows alkaloids and alkaloidal salts, that are separated and made from the crude drugs, to be imported into this country free of the special tax and entirely without control, which would seem to render the act noneffective in the very object sought to be obtained.

Fourth. That the provisor of section 2 is too greatly restricted and the privileges given to the "duly registered and bonded manufacturing chemist or manufacturing pharmacist" should be extended to any person duly registered and bonded under this act.

That the absolute prohibition of interstate commerce in these drugs, except between those registered under this act, as provided for in section 4, will entail unjust, unkind, and injurious hardships upon many citizens residing near the border lines of our respective States and upon those citizens who may temporarily reside outside of their own States and away from their regular physicians and pharmacists. It would, therefore, seem that legitimate sales on the original prescriptions of physicians should be exempt from the operations of this law. To the several States must be left the control of the writers of prescriptions within their respective borders.

That section 6 provide a penalty for nonpayment of the special tax on the salts, derivatives, and preparations of the cited drugs, when no provision for the laying and rating of such a tax has been made.

Because of these facts and to make our contentions more explicit and exact, I most respectfully submit these several amendments for consideration.

Amend section 1, page 1, by striking out all after "opium," line 4, up to "and," in line 6, and substitute the following: "Morphine, diacetyl morphine, heroin, codeine, cannabis, hydrated chloral, holocaine, novocaine, alpha-eucaine, betaeucaine, alypin, coca leaves, cocaine, their salts, derivatives, preparations or compounds or any substance or synthetic product or chemical that may be used as a substitute for cocaine or having the same local stimulating effect as cocaine, under whatsoever name it may be known or described."

Amend section 1, page 2, line 1, by striking out the word "or" and inserting a comma; lines 2 and 3, by striking out all after "jobber," up to "retailer," and by substituting a comma and the words, "dispensing pharmacist;" in line 5, amend by changing "one dollar" to "two dollars."

Amend section 2 by including the full list of drugs, chemicals, etc., that is cited in section 1 and by making proper provision for an equitable tax rating, on each of these. Also amend section 2, page 3, by inserting after the word "any," in line 11, the word "person," and by striking out the words, "manufacturing chemist or manufacturing pharmacist" and inserting in their place the words "under this act."

Amend section 4 by introducing, after the word "to," line 20, the words, "the dispensing of the original prescriptions of legalized practitioners of medicine, to."

Section 6 will need no amendment if section 2 is amended to conform with section 1, otherwise, section 6 should be made to agree with section 2, as now constructed.

Mr. HYNSON. Now, if I have just a moment, I want to say, representing a large body of men, that we are not willing to have introduced into that bill the word "knowingly." If you do that, it seems to me to invalidate the whole matter. We are quite willing to meet whatever is entailed upon us if the law becomes effective, and I do not believe that it will become effective if that word "knowingly" is introduced. I want to call attention to the fact that if the retailer can bear this the wholesaler can as well, and I want to call your attention to the fact that the physician's prescriptions must be allowed to be sent over State lines. I believe I have put it in this communication in a pointed way, and I thank you very much for the time you have allowed me.

The CHAIRMAN. I want to say to the gentlemen here who seem to be so anxious to be heard that the committee will take a recess at 12 o'clock until 2 o'clock p. m., so that you may all be heard this afternoon.

STATEMENT OF DONALD M'KESSON, REPRESENTING M'KESSON & ROBBINS, OF NEW YORK CITY, WHOLESALE DRUGGISTS.

Mr. M'KESSON. I had several interviews with Mr. MacVeagh and the Deputy Commissioner of Internal Revenue, Mr. Williams, and I think I can add some points on this that do not seem clear. I will take this up as we go through here. First, as to coca leaves, there have been several remarks and questions as to whether coca leaves are a habit-forming drug. I think it can be said that they are not a habit-forming drug. Coca Cola might be called habit forming, but it does not depend on this principle now, as I understand it; it does not now contain any cocaine. It did originally. It was made from coca leaves, and, from rumors and reports I have heard, they used to add cocaine, besides. Coca leaves themselves, however, do not contain more than 9 ounces of cocaine to the 100 pounds, and the amount of cocaine administered by coca leaves would not be enough to form a habit. So I think that coca leaves should be omitted, as they are not strong enough in themselves to form a habit.

In regard to the second paragraph I want to speak very strongly in favor of having the stamp eliminated, as Mr. West suggested, and the license number put on the package; the manufacturer puts his number on, and the wholesaler puts his number on, and the retailer puts his number on, and that gives a distinct chain right through the trade to the consumer. The first thing that the commissioner impressed upon me is that this is not a license. A special tax is a special tax, and the thing that you hang on the wall with the pretty pictures, and so forth, is only a receipt for the tax; but the special tax can be numbered, and the purpose of the law would be fulfilled by having those numbers put on the packages. There are a great many provisions that should be put in this law. I understand there are 14 provisions for the internal revenue that should be in this law, which are not in it, according to the commissioner. The solicitor made out a list of those provisions, which Mr. Woodruff has, I think, a list of those 14 provisions, just by number. I will not read those numbers off. There is the provision for compromising penalties, which is in all internal-revenue measures, and there are provisions for canceling of stamps and things like that. I hope that we can eliminate the stamp measure.

The matter that Mr. Gaines brought up, about the railroad companies and express companies handling these drugs under this law, I think can be taken care of by the Internal Revenue Department. Some measure will have to be taken on that. That provision has certainly come up on previous internal-revenue laws, and I think they can approve a provision that will cover that. There has been a great deal of objection—there seems to have been a great deal—to putting the word “knowingly” in section 6. Now, that perhaps could be taken care of if the regular internal-revenue provision for compromising penalties should go through. If the commissioner had the option of compromising a penalty where a person has through an oversight come under the penalties of the law that would be taken care of, even without the word “knowingly”; although I think from the druggist’s standpoint we would much prefer to have the word “knowingly” put in there. The commissioner stated that if “knowingly” should be put in there, the way they would construe it would be that all orders for habit-forming drugs would have to bear the tax-receipt number, and that would be considered as selling in good faith, providing that number was put on the order. The commissioner said that no internal-revenue laws that they have now require a bond of anybody except the manufacturer, as it is unnecessary from a wholesaler and a retailer. As the law now stands, section 4 says that all dealers, manufacturers, and so forth, shall be required to keep such records, and so forth, as the commissioner shall require. Section 8 says:

These returns shall be open to inspection and certified copies furnished to the proper officials of any State or Territory or district.

The commissioner says that with a tax on the raw material—on opium, for instance, traced through morphine and fluid extracts, and things like that—he would require records from every factory, from every manufacturer of morphine, every manufacturer of pharmaceutical preparations, from tank to tank in the chemical process—that would all have to be filed with him. The same thing is re-

quired of liquor dealers, and section 8 says that these returns shall be open to inspection; but with liquor dealers they have a paragraph in the law, section 3167, which says that it shall be unlawful for any collector, deputy collector, agent, clerk, etc., in the employ of the United States to divulge or make known in any manner whatever to any person anything as to the works of any manufacturer visited by him in the discharge of his official duties, etc. Now, that is a provision to protect the processes of manufacture, which are personal rights, and a part of his assets in business, and are not, I think, intended to be interfered with in this law, and I would suggest that the words "these returns" be struck out in section 8. That is in the fourth line of section 8. I would suggest that the words "these returns" be struck out and instead of that there be substituted the words "a transcript of the records of sales shall be open to inspection," which is all that is necessary for tracing the interstate commerce of the articles.

Mr. GAINES. Perhaps this was drafted with the idea that the information there given would enable the State authorities to determine whether the product was in contravention, because of its composition, of some State law.

Mr. McKESSON. That can be determined from the finished product by analyses. The manner of the composition is not necessary to determine whether the composition is proper for medicinal use.

Mr. GAINES. Yes; I understand something of the difference between the chemical composition and the method of preparation.

Mr. McKESSON. Now, I want to say one more thing from the manufacturer's standpoint in favor of having the tax taken off the crude material and having it put on the finished product; or, most preferable of all, these license numbers, these tax-receipt numbers, used for tracing it. The manufacturers in their processes do not all get the same results. Some get great deal better yields than others, and the matter of yield would be, to a skilled chemist, a certain amount of information as to the processes, and would give away certain trade secrets that are really the property of the manufacturer; and also the differences in the yield would be a very hard thing for the internal revenue to trace out. For instance, I would say there is one well-known thing now that was formerly a secret, but has now gotten out, and that is that in the manufacture of cocaine from coca leaves the active parts of coca leaves are a number of other things besides cocaine. They have a number of amorphous products. I can not remember their names now, but those products—it has been discovered—can be by chemical treatment converted into cocaine. They were formerly thrown away and went right into the sewer. Now, according to the skill of the chemists in the different plants, the yield from those by-products varies, and it would be very hard to tell how much cocaine a man could get out from 100 pounds of coca leaves. It all depends on his skill, and it would be impossible for the Internal Revenue Department to tell, if the yield of one man seemed lower than that of another manufacturer, whether they were using it dishonestly or whether they were not skillful enough to produce as much. If the factories were bonded and sealed and only what left the factory was kept track of by the Internal Revenue Department, I think that would cover all requirements for the tracing of the material, and I think by having the tax-receipt number put on

the package all the protection that is necessary would be given and the manufacturer would be protected in his own rights.

Mr. GAINES. Do I understand you to say that, with the modifications you suggest, you are in favor of the bill?

Mr. McKESSEN. Yes; very much in favor of the bill. Our firm was founded in 1832, and we have been ever since against the sale of habit-forming drugs and all that kind of thing. Orders which have come to us from suspicious people, we have put in the hands of the proper authorities for tracing, and prosecution if necessary.

Mr. GAINES. Is there a dividing line between the wholesale and the retail druggists on this proposition?

Mr. McKESSEN. That is very weak in some places, and I think one of the very good features, outside of the police feature, is that it establishes what the line is. The dividing line between the retail and wholesale merchant is very weak. In all European countries retail and wholesale druggists are professional men, the same as lawyers and doctors. They are men of high standing, and are recognized under the law, and their social standing is high, and the drug business is a business that requires just as high an education as any other profession, and is the poorest paid for the requirements of it; and I think this would be an opportunity for the retailer to appear in his proper light, and for that reason, as well as for the reason of elimination of habit-forming drugs, I think this is a very good measure, provided it is put into a practical form. That is all I have to say, if there are no questions.

Mr. WOODRUFF. In connection with Mr. McKesson's remarks I want to leave this bill with the stenographer, as embodying the sections which the Commissioner of Internal Revenue thought must go into a revenue law.

The CHAIRMAN. Very well, that will be printed in the record.

(At 11.50 o'clock a. m. the committee took a recess until 2 o'clock p. m.)

(The proposed bill referred to by Mr. Woodruff is here inserted in the record in full as follows:)

A BILL Imposing a tax upon the importation, exportation, production, manufacture, use in manufacture, sale, and distribution of certain habit-forming drugs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person to import, export, produce, manufacture, or use in manufacture opium, morphia, cocaine, alpha and beta eucaine, chloral, cannabis, their salts, derivatives, or preparations unless he shall have registered with the collector of internal revenue of his district his name or style, place of residence, and place where such business is to be carried on, and at the time of such registering, and on or before the first day of July in each year, shall have paid to said collector a special tax of one hundred dollars per annum; and it shall be unlawful for any person who has not so registered and paid said special tax of one hundred dollars to buy or sell, distribute or give away at wholesale any of the aforementioned drugs, salts, derivatives, or preparations unless he shall have registered and paid a special tax of twenty-five dollars per annum with and to said collector and in manner and at the time as aforesaid; and it shall be unlawful for any person who has not registered as above provided and paid either of the special taxes as above provided to buy, sell, distribute, or give away at retail any of the aforementioned drugs, salts, derivatives, or preparations unless he shall have registered with and paid a special tax of five dollars per annum to said collector in manner and at the time hereinbefore provided; and it shall be unlawful for any person who has not registered or paid one of the special taxes hereinbefore provided to have in his possession any of the

aforementioned drugs, salts, or derivatives unless the same shall have been purchased or otherwise obtained by such person prior to the date when this act shall take effect, unless such drug, salt, derivative, or preparation shall have been dispensed upon a physician's prescription, or unless such person be a physician, dentist, veterinarian, or a private or public hospital or a scientific institution. Every person who sells to other dealers or persons for resale and not for consumption shall be regarded as selling at wholesale within the meaning of this act, and every person who sells to others for consumption and not for resale shall be regarded as selling at retail within the meaning of this act. The word "person," as used in this act, shall be construed to mean and include a partnership, association, company, or corporation, as well as a natural person.

SEC. 2. There shall be levied and collected upon all opium, morphia and its salts, cocaine and its salts, alpha and beta eucaine and their salts, chloral and its salts, and cannabis now held by any person, or hereafter produced or received an internal-revenue tax of four cents per pound, which taxes shall be paid by affixing to each package an engraved stamp to be affixed and canceled in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe. The Secretary of the Treasury shall provide revenue stamps of the denomination of one-fourth cent, one-half cent, one cent, and four cents for the purposes of this act. Pills, tablets, and so forth, of any of said drugs not in combination with other drugs, and pills, tablets, and so forth, containing one-half grain or more of any of said drugs in combination with other drugs shall be subject to the provisions of this section, the tax to be determined by the quantity of any such drug or drugs in the package, provided that for every fraction of an ounce the rate for an ounce shall be paid; and it shall be unlawful for any person whether registered under the provisions of this act or not, to buy or receive, sell or give away any package subject to the provisions of this section, unless the same shall have been duly stamped.

The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may require the keeping of such books or records, and the making or filing of such returns in the office of the collectors of the various districts, or in the office of the commissioner or both, and may make all needful regulations as may be necessary to carry into effect the provisions of this act; and the provisions of existing laws relating to the engraving, issue, sale, accountability, effacement, cancellation, and destruction of stamps are hereby made to apply to the stamps provided for by the preceding section. And sections thirty-one hundred and eighty-four to thirty-one hundred and seventy-seven, thirty-one hundred and seventy-nine to thirty-two hundred and forty-three, thirty-three hundred and forty-six as amended, thirty-four hundred and forty-five to thirty-four hundred and forty-eight, thirty-four hundred and fifty to thirty-four hundred and sixty-three, all inclusive, of the Revised Statutes of the United States, and all other provisions of existing laws relating to internal revenue, so far as applicable, are hereby made to extend to and include and apply to the taxes imposed by this act, and to the substances upon which and the persons upon whom they are imposed.

SEC. 4. That under such regulations, and upon the filing of such notices, entries, and bonds, as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, any of the aforesaid drugs, their salts, derivatives, or preparations may be removed from a customs warehouse or from the place of manufacture or storage for export free of the revenue taxes imposed by section two of this act; but upon the reimportation of any such drugs, their salts, derivatives, or preparations, the same shall be held in the custody of the collector of customs until the required internal-revenue stamps in payment of the tax imposed by this act have been placed thereon.

SEC. 5. Any person violating any of the provisions of this act shall, on conviction thereof, be fined not more than one thousand dollars for each violation, or imprisoned for not longer than one year, or both such fine and imprisonment in the discretion of the court.

SEC. 6. That the sum of one hundred and fifty thousand dollars, or so much thereof as may be necessary, be, and hereby is, appropriated for the purpose of carrying into effect the provisions of this act, and the Commissioner of Internal Revenue is authorized to appoint such agents, deputy collectors, inspectors, chemists, assistant chemists, clerks, and messengers, in the field and in the Bureau of Internal Revenue, as may be necessary to enforce the provisions hereof.

SEC. 7. That nothing in this act shall be construed as modifying or revoking any of the provisions of the act of Congress approved June thirtieth, nineteen hundred and six, known as the "pure food and drugs act," or any amendments thereof, or of the act approved February ninth, nineteen hundred and nine, entitled "An act to prohibit the importation and use of opium for other than medicinal purposes."

AFTER RECESS.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Wednesday, January 11, 1911.

The committee reconvened, pursuant to the taking of recess, at 2 o'clock p. m.

**STATEMENT OF MR. THOMAS P. COOK, 114 WILLIAMS STREET,
NEW YORK CITY, REPRESENTING THE DRUG-TRADE SECTION
OF THE NEW YORK BOARD OF TRADE AND TRANSPORTATION.**

Mr. COOK. Mr. Chairman, we are entirely in favor of a bill which will regulate the sale of habit-forming drugs, but we would suggest that this bill be confined to morphine, cocaine, and opium, and, for the purposes of the better working of the law, we think it would be better to eliminate those other items, which are not serious. We object to some of the administrative features of the bill, which have been set forth in full at the hearings this morning.

I would say, for your information, that the drug-trade section of the Board of Trade and Transportation of New York City is composed of manufacturers and wholesalers. At a meeting on Monday night of the New York section of the American Pharmaceutical Association, I was requested to draw your attention to the fact that the retailers of our city object to the administrative features of the bill, while they are entirely in favor of a bill that may lead to a proper regulation of the items mentioned in this bill.

**STATEMENT OF MR. ALBERT PLAUT, OF NEW YORK, REPRESENT-
ING LEHN & FINK, OF NEW YORK CITY.**

Mr. PLAUT. Mr. Chairman, whoever drafted this measure was undoubtedly actuated by the best of motives, but he or they failed to consult men actually engaged in the business of manufacturing and selling these drugs, and, therefore, the bill contains a number of impracticable features, most of which have been dwelt upon by previous speakers; but, if you will permit me, I can, perhaps, shed a little additional light on the subject.

The main feature to which we object is that all preparations containing any of the articles mentioned here by name, and their derivatives, must be registered. We contend that this would impose a burden both on the wholesale and the retail druggists that these gentlemen have no conception of. If you exclude from the operations of this bill those articles which are excluded in the pharmacy act of the District of Columbia—I will go further than that, and say if you exclude those which are excluded under the law of Massachusetts, which is stricter than the District of Columbia law—you will obtain the good will and cooperation of both the wholesale and

the retail trade, instead of their indifference, if not their opposition, because of the unnecessary and immense amount of work which the carrying out of this law as now drafted will entail. If the retailer must register, in accordance with the regulations of the Internal Revenue Department, every sale of a bottle of Bull's Cough Syrup, or of Pike's Toothache Drops, or of Munyon's Corn Cure; of every sale of Stokes' Expectorant, of every tablet of Dover's Powder, it will make him feel unfriendly toward the law, to say the least.

Let me ask what good can be accomplished by retaining this part in the law? Of what service will it be to the officials of the Internal Revenue Department to know that John Jones bought a bottle of corn cure, or John Smith bought some Dover's Powder tablets, or that John Brown bought a bottle of Stokes' Expectorant? It is useless, it is unnecessary, it does no good, to register the sale of these remedies, harmless in themselves, and absolutely nonhabit forming. In order to create a habit in the user of Dover's Powder, or Stokes' Expectorant, or any of the other articles I have mentioned, a man would have to have a cast-iron stomach to be able to take enough to produce any effect; he would have to consume such an immense quantity of aromatics, menstria, and excipients that no human being could possibly acquire the habit in that way.

The second clause to which I object is the stamping of these drugs, their derivatives, and their preparations, and chiefly for the reason that it involves an immense amount of labor and accomplishes nothing which is not provided for by other provisions in the bill. This stamping business is much more complicated than these gentlemen have an idea of. Let me illustrate it with opium, or any of them. Let me take opium. We import 20 cases of opium, which we stamp. We sell a case to Mr. West, of Boston, who sells 50 pounds to a small wholesaler in Worcester, let us say. He again has to affix a stamp. That means a subsidiary stamp, a stamp which costs him nothing. But he must affix a stamp. The Worcester man sells a pound to a retailer in Pittsfield, who uses it in making his preparations. The Worcester man has to stamp it, and the Pittsfield man has to attach a stamp to every bottle or box of any preparation made from this opium. What good does it accomplish? Does it enable the internal-revenue officials better to trace the sale of these habit-forming drugs than the other provision in the law, as we want it; that is, a license, with a license number? Let every licensee under this law be given a serial number, the same as is now being done under the food and drugs act, and every item mentioned in this bill can be traced absolutely from the ultimate consumer back to the original source of supply.

The other reason for the tax, the amount of revenue to be derived from it, I also consider invalid. In the first place, the revenue would be trifling, and, in the second place—and of more importance—I hold that this law is intended for the good of the entire people of the United States, and there is no reason why the drug trade should bear the entire expense of carrying the law into effect.

The third matter to which we object is the enumerating of insignificant articles, the habit-forming effect of which is more than doubtful, instead of limiting it to the three baneful drugs, opium, morphine, and cocaine, their derivatives and preparations. My

38 years' experience enables me to say that of all the habitués of narcotic drugs not one-tenth of 1 per cent use these other substances all combined; that 99.9 per cent—999 out of 1,000, who are addicted to the use of these drugs, use either morphine, cocaine, or opium in some form. You can not, as a rule, get 100 per cent in anything, but these gentlemen seek to attain the 100 per cent, which in their case is not possible, and they defeat the beneficent purpose of their bill in trying to attain the unattainable.

The same conditions apply to the substances which I have just mentioned, those exempt under the District of Columbia law. Not one habitué out of a thousand has become such through the use of preparations such as I have just enumerated, and if we can get at 99 per cent, or 95 per cent, or at 90 per cent, even, of the users, the illicit users, of these drugs, I feel that we have accomplished a great deal.

Mr. BOUTELL. You speak with some degree of confidence as to the formation of these habits, giving certain percentages. How should you say the majority of these habits are formed?

Mr. PLAUT. Half, in my opinion, are caused by the careless prescribing of regular physicians, who prescribe, in this country particularly, morphine for every ache and pain. They carry their hypodermic syringe with them at all times, and many of them dispense morphine the first thing, and cocaine, too, although conditions there have changed. The consumption of cocaine under the restrictive influence of the State laws has decreased very much; I should say fully one-third. Of course a very large number of drug fiends acquire the habit from association, from propinquity to other users. Does that cover your question?

Mr. BOUTELL. I think this is an extremely important feature of it. You say that in your opinion 50 per cent of the drug habitues become such through physicians' prescriptions?

Mr. PLAUT. Legitimate prescriptions.

Mr. BOUTELL. Others still, you say, form the habit through association or propinquity. Those who form it through association or propinquity, with those who have been misled by the physician's prescription, ought to come under that same heading, ought they not, of having been brought to the illicit use of drugs through the acts of a physician?

Mr. PLAUT. If you carry it back to its original source, probably that is it.

Mr. BOUTELL. Would you modify that percentage, then, saying directly and indirectly through prescriptions; how large would you make the per cent?

Mr. PLAUT. It is very hard to express that in exact per cent.

Mr. BOUTELL. I quite realize that.

Mr. PLAUT. It is a very large percentage. I have been both in the retail and the wholesale business, and that is my judgment. There is undoubtedly a considerable number caused by the use of medicinal preparations containing these habit-forming drugs without the knowledge of the purchaser; but, thanks to our food and drugs law and the watchfulness of Dr. Wiley, that cause has very much decreased.

Mr. BOUTELL. You will see the point of my questioning—along the line of questions I was asking a witness this morning. There is nothing, of course, in this legislation that touches in any way the

evil of which you spoke of producing habitues through physicians' prescriptions.

Mr. PLAUT. Oh, yes; physicians' prescriptions are not exempt under this bill, and in my opinion should not be exempt. I believe if a physician's prescription contains morphine or cocaine that the taker of that prescription should know what he is taking. I do not believe in exempting physicians' prescriptions. There I differ with Dr. Muir.

Mr. BOUTELL. That is where I had the confusion. I thought you were all arguing for the exemption of physicians' prescriptions.

Mr. PLAUT. No, sir. The third objection, which is comparatively a small one, is that the seller should be compelled to take out a bond. To infract or evade this law in any way is a penal offense, and I can not for the life of me see how the bill would become more efficient by the taking out of a bond. The poor retailer is taxed heavily enough as it is, and if he has to pay for a bond it would be a great additional burden. Such a bond would be for an amount considerably in excess of \$500, this being the minimum penalty, and the expense would, in my opinion, be, not as Dr. Muir thought, \$7.50, but from \$25 to \$50, no matter of how high a standing the applicant may be. The bond adds no force to the law, in my opinion.

Mr. BOUTELL. Do you know how the retail druggists are licensed in Prussia—Berlin, for example?

Mr. PLAUT. Yes; there is a monopoly there.

Mr. BOUTELL. And how many retail druggists or apothecaries are there, per capita, in Berlin?

Mr. PLAUT. I can not say how many in Berlin. I understand the average is about 1 to 10,000 population.

Mr. BOUTELL. About how many are there in the city of New York?

Mr. PLAUT. I confess I do not know. I should say about 2,000. But permit me to call your attention to the fact that, in addition to the so-called apothecaries licensed by law in Prussia, there are any number of druggists, or drug stores, who are not under Government supervision, who do not require a license, and who are permitted to sell a large number of drugs, household remedies, toilet articles, and such.

Mr. BOUTELL. But they do not put up prescriptions?

Mr. PLAUT. They do not put up prescriptions or sell drugs for medicinal use. Again, I object that public hospitals or public or scientific institutions be exempt from this law. In our own city we have known of thefts of this very class of articles from our public institutions and their sale to fiends and habitues. I see absolutely no reason why a hospital, or any other scientific institution, teaching institution, or an institution of any sort, should not be subject to this law, as much so as the pharmacist. If you exempt them, there is a break in the chain.

I will revert to the first page of the bill, which mentions the drugs which are to be subject to this supervision, and I wish to say that, with the exception of opium, morphine, and cocaine, it is a mooted question—it is more so, it is much more than doubtful, the majority inclining the other way—that these other drugs are habit-forming; that cannabis is habit-forming. That opinion, I think, is owing more to the fact that Alexander Dumas, in his *Count of Monte*

Christo, described the effects of hashish as he did than to any other cause: I recently read a pamphlet, a compilation, in which numerous authorities were cited, which cast grave doubt upon the habit-forming and narcotic effects of cannabis. Cannabis brought into this country is used almost altogether for the manufacture of corn cures and in veterinary practice. As a habit-forming drug its use is almost nil. The same thing applies to chloral and coca leaves, and alpha and beta eucaine; and, with the exception of coca leaves, to their derivatives and preparations.

Mr. McCALL. If it were made difficult for people to obtain opium, morphine, and cocaine might they not then resort more to these substitutes that will produce the same effects, in great measure?

Mr. PLAUT. Undoubtedly; but I believe they will be disappointed in the effect. Recently in Philadelphia, at a meeting of the committee on the revision of the Pharmacopœia, Dr. Reed Hunt, a Government employee here in this city, spoke of an extended series of experiments he had made with cannabis, and his conclusions, while not definite, gave him a strong leaning toward what I say, that its effect is different from that which novelists and others attribute to it. Chloral, I understand, is entirely devoid of this effect. I am not a physician, and I perhaps say a little more than my medical friends would like, but I do not think chloral has any such effect.

Mr. McCALL. Does it have a tendency to develop the formation of a habit?

Mr. PLAUT. I think not, except that when a man suffers from chronic insomnia he gradually increases the dose.

Mr. McCALL. I had an idea it was a dangerous drug and that if people became addicted to its use they were apt to continue using it, and possibly to increase the dose. I know nothing about that.

Mr. PLAUT. The total consumption of chloral is not great, and it is on the decrease; very much on the decrease. Other hypnotics have taken its place.

I also believe that these gentlemen overestimate the moral turpitude of the use of opium and its preparations. Dr. Wright also stated that the economic damage was greater than the moral harm. You take the Chinaman who smokes his pipe of opium; he sleeps off the effects in his room or in his bunk. A man who consumes alcohol to the point of intoxication is very apt to starve his children, to beat his wife, and to do harm to others, which the opium habitué does not do, at least not in temperate climates.

Mr. McCALL. Have you had any experience that would lead you to say whether people who are denied the use or for whom it is made difficult to obtain alcohol in some form or other, in the form of a beverage, develop cocaine habits and habits of consuming other drugs of that sort?

Mr. PLAUT. I am hardly in a position to judge, but it appears to me that the weak-minded person who habitually uses alcohol to excess, if deprived of it, would turn to some other substance for the gratification of his desires. But the effect of alcohol differs so radically from the effect produced by opium that he would not like it at first; it would be like acquiring a new vice.

I want to say one more thing, namely, that the drug trade is in favor of a bill of this sort, of some bill, but we want a practicable bill, a bill which will be efficient. Almost every piece of legislation

in the realm of pharmacy has originated in the drug trade. The act of 1847, I think it is called, regulating the importation of drugs into this country and giving the Government authority to exclude harmful or inferior drugs, was drafted and suggested and brought out by the College of Pharmacy, of the city of New York. Our State pharmacy laws have always been originated by and been passed through the direct efforts of the drug trade. The reputable element in the drug trade—and that means the vast majority—has always been in favor of proper laws; and they are in favor, very much in favor, of a proper law, a practicable law, which will regulate and diminish the use of habit-forming drugs. But we want it stripped of all these useless, expensive, and annoying requirements which our theoretical friends consider necessary.

**STATEMENT OF MR. CHARLES B. TOWNS, REPRESENTING THE
CHARLES B. TOWNS HOSPITAL, 119 WEST EIGHTY-FIRST
STREET, NEW YORK CITY.**

MR. TOWNS. Mr. Chairman and gentlemen, I am interested in the habitue, the man who has acquired the habit, the consumer of the drug. I have devoted 10 years exclusively to this work, and I find that these questions taken up here deal directly with my end of the work and my experience in that work. I have never been addicted to the drug, neither have any of my relatives or my friends, or anyone in whom I have been directly interested. But I have taken up this work on account of a knowledge I have from time to time acquired, following up the effects of these various habit-forming drugs, and when any druggist gets up here and tells you to eliminate from this bill any habit-forming drug in any way, shape, or fashion compounded with any kind of drugs, he certainly is not speaking in the interests of the man who becomes addicted. There is no drug that is any more habit-forming than codeine, which is one of the alkaloids of opium. There is none that would take the place of heroin, which is one of the alkaloids of opium. As a matter of fact, heroin has three times the strength of opium. In other words, if a man were taking 3 grains of opium he could be made just as comfortable on 1 grain of heroin. If he were to take these various drugs over the same period of time he would experience, without his knowledge of what he had been taking, the same withdrawal symptoms with one as with the other.

One other thing I am surprised at is, that they even assume to make a statement that when these compounds are prepared by these men the small amount of this opium that is compounded in these drugs should not be considered. I do not know how many of these gentlemen present know how little of this drug it would require to form the opium habit, how small a dosage, how frequently that dosage might be given, and over what length of time it would create a habit. I suppose if I should ask all present here there would not be three men who could answer that question. The quantity of opium that a man takes, it makes no difference whether it is one-sixteenth of a grain or 10 grains, if he takes it for a certain period of time he will acquire the opium habit without his knowledge in any way whatever. It may be disguised in form possibly, but if it is given over

a specified time if he is deprived of it he will experience all the horrible sensations that come from lack of the drug.

If that bill were amended so that these compounds that contain these alkaloids and habit-forming drugs were eliminated, it would be one of the biggest business arrangements that could ever be perfected with the druggists. It would mean this, that these men would acquire this habit with this small dosage of this drug, and you can not fool the system about drugs, especially habit-forming drugs. If I were to give a subject an eighth of a grain of morphine twice a day over a period of three weeks, he could not go without that drug, it would make no difference what his character was, how strong he was, or who he was; he would be in the grasp of that drug. In the case of cannabis, to my mind it is inexcusable for a man to say there is no habit from the use of that drug. There is no drug in the Pharmacopœia to-day that would produce the pleasurable sensations you would get from cannabis, not one—absolutely not a drug in the Pharmacopœia to-day, and of all the drugs on earth I certainly would put that on the list.

Once a patient becomes addicted to the use of opium or morphine, or any of these alkaloids, it is absolutely impossible for that man to rid himself of that habit. No amount of will power on earth can relieve him of that habit. I suppose in 10 years I have come in contact with large numbers of habitues, I would not dare to say how many, but enormous numbers, because it has been my exclusive work, and during that time I have taken up everything on earth that a man possibly could to acquaint himself with everything that pertains to the patient; I have gone to the druggists and the doctors and the wholesale men; I have been through the whole gamut, finding how it was possible to restrict the sale of these drugs, and how it was possible to place them so as to protect these people against acquiring these habits. I have gone into the history of all the people brought to me. I have asked how they acquired the habit; I have asked the patient why it was, and he has told me. That has given me an unlimited knowledge, and I can speak as to how easily these people acquire this habit. We are the simplest, easiest creatures of habit on earth, and when we get any illness or discomfort, if a doctor gives us something to ease the pain and it helps us, if the pain comes on again we take some more of it, we do not care what it is.

I think it is a dangerous thing to put these things in the reach of these people. It ought not to be done at all. I think Dr. Wright, in the framing of this bill, is asking for what he thinks he can get. I do not think he is drawing a bill half strong enough. The physician should be made absolutely responsible for the habit-forming drugs given to a patient. The wholesale druggist should be restricted to selling those drugs to licensed druggists. I have right now in my hospital a man who was brought to me for treatment of the drug habit, under the care of Dr. Alexander Lambert, who buys his morphine from a wholesale druggist, and a man who has been right up here to-day, and he told me he could buy enough to stack a ship—he could buy all he wanted. If he wants it, I can give him the name and address of the man and where the goods have been billed to.

I had a patient from Dr. Cavett, of Boston, who is one of the best men in Boston. I think the Boston men will bear me out in that. He sent a patient to me and when she was treated wanted

me to give her credit for \$25 worth of morphine she had just bought from a wholesaler, who is here before us. I know what I am talking about; I am not guessing.

I want to give you a few little facts here, some things leading up to this drug habit, worth considering. From actual figures I find that 85 per cent of the cases that come to me used these medicines hypodermically, and the use of the hypodermic has never been considered in this thing at all. It is one of the biggest promoters of the drug habit I know of. Any boy 3 years old up to any age could go in any drug store in this country with the price and buy a hypodermic, the needles, and all that kind of thing, and no questions would be asked at all. I think it is a shame that it should be so. When you know 85 per cent of these people are using this instrument and they are acquainted with the use of this morphine from the use of the hypodermic, you certainly will agree that it is a shame. The general use of the hypodermic by physicians has been too great. No habit-forming drug should be given to a patient where it can be disguised in any way. The first use of the hypodermic by a physician acquaints a man with what he is getting. The same drug, unless it was in some very acute case, could be administered in some other way. You would get the same effect without the patient's ever knowing what he had received. After getting this hypodermic a few times, and still thinking it would make him feel better, he finds that the cost of the physician's call, from \$3 to \$5, is too much money, so he goes to a drug store and buys an outfit, and he has no trouble at all. I make the statement that if it had not been possible for these men to go out personally and buy the hypodermics, it would have lessened the consumption of this drug 50 per cent, and I will not recede one iota from that.

MR. BOUTELL. You mean he has no trouble in getting the drug he uses with it?

MR. TOWNS. He does not have a great deal of trouble. He has more trouble now than he used to. But there is nobody in New York addicted to this habit, unfortunately, who can not get it, and yet we have the most stringent laws there.

MR. BOUTELL. How does he get it?

MR. TOWNS. Dr. Lederly, who is on the health board, issued a statement a short time ago, in which he said that the wholesale druggists sold it to nondealers and they distributed it at will. They could buy just as much as they wanted to. I can produce that article. That is where these people get it. That is not generally known. They say: "How can these people get it?" They get it in all kinds of ways. I tell you anybody can go to a wholesale druggist and get all he wants. I will call some names here if need be, and I will make somebody blush, too, when I make a statement. I do not say that all druggists do it, but I say that some of the druggists on the floor here do it.

DR. MUIR. Will this bill prevent that man from getting the same things?

MR. TOWNS. No, it will not; but I hope it will be made stronger.

DR. MUIR. That is what I want to know.

MR. TOWNS. All I want to do is to make the doctor responsible.

DR. MUIR. Doctor, will you answer the question, yes or no?

MR. TOWNS. I am not a doctor.

Dr. MUIR. I thought you were. I would like to understand what you think about it; will this bill prevent that same man from getting what he wants?

Mr. TOWNS. No; he can take out a license for a dollar and get what he wants.

Dr. MUIR. Not a license for a dollar to buy it.

Mr. TOWNS. Anyone, under this bill, can take out a license for a dollar.

Dr. MUIR. I do not want to interrupt you too much.

Mr. TOWNS. I say doctors should be made absolutely and wholly responsible for the habit-forming drugs.

Mr. McCALL. That is, not permit them to be sold unless on a prescription given for that particular sale——

Mr. TOWNS. Yes, sir; and not only that, I would make them give the patient's name.

Mr. McCALL (continuing). And not refilling an old?

Mr. TOWNS. No. And not only that, I would make them give the name of the patient. I would make the local druggist account for absolutely any drug he sells. As soon as this drug can be gotten by any man who can take out a license; it is bad business. There is no layman who can not take out a license for a dollar and buy as much of this drug as he wants. I think the wholesale druggist is the last one who ought to make a fight. It does not muzzle him.

Mr. HARRISON. Did you hear some of these gentlemen this morning explaining the difficulties a bill of this sort, if it became a law, would cause among the retail druggists; and in connection with that, one of these scientific gentlemen stated such an article as "Stoke's Expecto- rant" would have to be listed every time it was sold. Was that one of the compounds you referred to as a habit-forming drug?

Mr. TOWNS. Any drug that contains the slightest bit of opium in any form, I do not care whether it is the crude opium or any of the alkaloids, if that drug is taken over a given time, it makes no difference what the dose is, the man will become absolutely addicted to it.

Mr. HARRISON. As a matter of practice, does that occur?

Mr. TOWNS. It does occur; and not only that, it leads up to the straight morphine.

Mr. HARRISON. Therefore there is no line below which there is no habit-forming drug?

Mr. TOWNS. Absolutely none. Another point is this, these gentlemen say they would have so much trouble keeping track of all these things. If those drugs were limited to legal sales, it would lessen their sales 90 per cent; and I will say to Dr. Wiley we owe everything in the world to the food and drugs act, which made them tell what was in these preparations. If a record were taken, instead of 600, it would be found that there were thousands at that time, and a great many of them had to drop out because they had to tell what the preparations contained. Do not let these people make you believe these things ought to be eliminated. If you gentlemen had anybody in your family, anyone very close to you, if you had any direct knowledge of some specific case of drug habit—I will say opium—you would go the limit; you would vote, absolutely every one of you, in favor of that measure. It would not take you a second to decide.

As to this keeping of records and all this kind of thing, there are very few records to be kept, when it comes to dispensing the kind of

drugs we are speaking of. Do you know that the men of large practice, some as busy as I know, would not use 5 grains of morphine in a year. You can not imagine how little of this drug is really necessary, and how the sale of it should be restricted. I am talking now entirely and wholly from the point of the man who consumes it, and he is the most important man to be considered in this country now, absolutely. I do not know that there is anything else, unless there are some questions.

Mr. BOUTELL. Is your hospital one of the Keeley hospitals?

Mr. TOWNS. No, sir. This is Towns's. I have no secret methods or anything like that at all. It is just a hospital with a visiting medical board, and it is on a par with St. Luke's, Roosevelt, or any hospital in New York, and it is one entirely open with the medications. The doctors bring their patients there. We have a medical visiting board, composed of five of the most reputable men in New York. As I say, I have had an intimate knowledge of these people. I have gone into this matter in every phase of it, and I would amend this bill so that a hypodermic syringe could not be had except upon the prescription of a physician. I would not stop until I got it in. I will tell you now, if you pass these measures restricting the sale of the habit-forming drugs to the consumer, you will lessen the use of these drugs 90 per cent. You can take the patients that come to me, and there are not more than 5 per cent of those people who ought to have become addicted to the use of those drugs.

Mr. BOUTELL. How do you think most drug habitués are caused?

Mr. TOWNS. It depends largely on the classes. You have to classify these people. You take in the cities, for instance, you have a class; and in the country you have a different class. There are many of these people in the South and West, for instance, who have their own medicine chests, with their opium pills, and when they have a pain they take one. We find in the tenderloin of New York an element that, through dissipation, has become addicted to the use of the drug. Then we find thousands who have acquired the habit through the first administration by a physician. I hope Dr. Lambert will kindly "spread himself" on that when he gets up. I am a layman, and I can not say very much about that. But I hope he will say what he thinks a doctor ought to do about the administration of cocaine. I will say, you must make up your minds on this one point, that you are going to lessen the crop of drugs used at all hazards, and do not stop until you do it. I assure you that if I could put myself out of business I would be the first man to do it. I would never lay my eyes on another one as long as I lived again.

Mr. PLAUT. If the use of minute quantities of opium in compound preparations led to the effect you just described, would not every person in this room, including the gentlemen up there, now be morphine fiends?

Mr. TOWNS. Not a bit in the world. And another thing, you can not disguise opium, no matter how many drugs you put with it.

Mr. PLAUT. I am not speaking of that.

Mr. TOWNS. I am just telling you you can not disguise morphine, and you can not substitute anything for it. That is remarkable, but it is so.

Mr. PLAUT. I do not dispute the accuracy of that.

Mr. TOWNS. I am just simply telling you that is so.

STATEMENT OF DR. ALEXANDER LAMBERT, OF NEW YORK, N. Y.

Dr. LAMBERT. I come here as a physician to plead with you to pass the bill in the form Dr. Wright has brought it forward to you, or as you have published it here. The only way in which you can get at the control of this drug—taking a habit-forming drug—is through the combination of the Federal law working with the State law, and in the method in which you have brought it forward here. There is no question in my mind that these drugs the gentlemen tell you are not habit-forming drugs are habit-forming drugs, and there is no doubt in my mind, because I have had patients under my care who have had the habit of cannabis; many of them have had the habit of chloral hydrate, of codeine, of cocaine, of morphine, and of the various others. Alpha and beta eucaine I have never seen; but those other drugs are habit-forming drugs I know from my own experience.

Mr. DALZELL. Are they all covered in this bill?

Dr. LAMBERT. Yes, sir; they are there. But some of the gentlemen have asked you to take out the cannabis and the chloral. Those are habit-forming drugs. If you can control, through the wholesaler and the retailer, through the Internal Revenue Department, the finding where things go, you can help the State control. The different States can go to a certain pass, and then they are blocked because of the inability to control what comes in from outside.

It may interest you gentlemen to know of the extent of some of these habits. For instance, in the State of Vermont, in 1906, the late Dr. Gunnell wrote to the drug stores and to the general stores to find out what the sales were in the State of Vermont for a month, and he found that in 69 towns, some of them so small as not to be on the map—but they had their drug stores—at 160 out of 172 general stores he found that every month there were 3,300,000 doses of these drugs sold, enough to give every person—man, woman, and child—in the State of Vermont a dose for every day in the year, allowing a grain of opium, 20 minims of laudanum, and half a grain of morphine to a dose. There is his published statement to that effect. He was an honorable and accurate man, and these were the figures which he obtained. Wherever there was any doubt about it he put zero and put it in the zero column. These were the things absolutely told him by the druggists.

There are places in the country where it is more in vogue than in others, and it is not only the gum opium; it is not only the morphine; it is laudanum, it is paregoric, and it is especially the new salts that come out, such as heroin and codeine. I remember when heroin was brought out it was said it was not a habit-forming drug, such as opium, but within a month I had two students who came to me and begged me to cut them off, because they had used it for a stimulant and found the habit on them. Cocaine has diminished in its sale and use very much, but there still remain these salts of opium and these other habit formers that are doing harm, which it is desired here to regulate. I simply can urge you, from my own experience, to pass the bill. That is all, unless you have some questions.

Mr. Boutell asked as to the formation of habits. Fifty per cent of them come from giving the things in medical practice. There is a very strong public opinion growing up among physicians of the dangers, and the dangers are therefore eliminated and have been elimi-

nated greatly in the last few years. It is also true that anyone can buy a hypodermic outfit and take the drug that way. And it is true in great cities that the way the most of the addicts obtain their drugs is to go to some one who uses it, who goes to some drug store he has known and buys it of them and peddles it out to individuals. If you can find out through your bill where it goes to and how it is sold, you will be able to put a stop to that.

Mr. WOODRUFF. Would this bill prevent Vermont from having the same number of stores selling the same articles?

Dr. LAMBERT. My idea is not to prevent having the same number of stores; it is to control the thing and know where it goes; control it out into the population. Your stores are going to use that the same, and if the people demand it they will sell it the same. But it will help the State law control it. Of course it will not stop the drug stores from selling it.

Mr. WOODRUFF. Vermont has not any prohibitive law?

Mr. LAMBERT. I do not think it has. But I just stated the figures from Vermont, which I happen to know to be accurate.

Dr. MUIR. Is it not the case that the use of these drugs is very much lessened in scientific medicine now? There is very little use for them?

Dr. LAMBERT. Very little. It is one of the most valuable drugs on earth. There is no greater blessing to the human race than the ability to stop pain under certain circumstances. But the amount that is necessary for that is very small compared to the amount that is manufactured. There is an enormous difference.

Mr. DALZELL. You are a practicing physician?

Dr. LAMBERT. Yes, sir; I am a practicing physician.

Mr. DALZELL. You would not have anything to say then, perhaps, as to the practicability of enforcing the regulations of this bill?

Dr. LAMBERT. I think it is practicable to enforce it, because it enables the people in the States to enforce it through an accurate knowledge of where things are going, and through an accurate control of it. You can not control it now in the States, because you can not control the interstate traffic. Through the control of the interstate traffic you will enable the States to enforce it and control it.

Mr. WOODRUFF. May I ask the doctor one question: If he knows of any State that by its laws undertakes to restrict the sale of any of these articles outside of opium, cocaine, and morphine?

Dr. LAMBERT. I do not know. I am not familiar with all the State laws; I do not know. I am not familiar enough to answer that question about the State laws.

STATEMENT OF CHARLES A. DARIUS, ESQ., REPRESENTING MERCK & CO., OF NEW YORK.

Mr. DARIUS. Mr. Chairman, we are manufacturers of morphine and cocaine and importers of chloral hydrate. We wish to address ourselves merely to two points in the bill before the committee in regard to the rate of tax proposed on coca leaves. The bill prescribes a tax of 1 cent per pound on coca leaves. The yield of coca leaves is approximately one-half per cent of the total quantity of the crude drug. By that internal-revenue tax of 1 cent per pound the American manufacturer will be put at a disadvantage. The tax of 1 cent per

pound will be equivalent to a reduction of the protection of the American manufacturer of something like 10 to 12 cents per ounce on the cocaine produced in this country. We therefore recommend to the consideration of the committee the reduction of the tax from 1 cent to, say, one-quarter of a cent per pound.

As to chloral hydrate, a tax of 5 cents per pound is prescribed. We urge upon the committee that that is a relatively high rate, considering the value of the article. Chloral hydrate sells for about 75 cents per pound, and we think that the rate of 5 cents per pound in tax would be exorbitant. We therefore recommend to the committee to consider the rate of 1 cent per pound on that product. That is all we wish to offer.

STATEMENT OF DR. HARVEY W. WILEY, CHIEF BUREAU OF CHEMISTRY, UNITED STATES DEPARTMENT OF AGRICULTURE.

Dr. WILEY. Mr. Chairman, I do not want to come in before any people from a distance. I thought everybody from a distance had spoken.

The CHAIRMAN. Is there any other gentleman who desires to be heard here besides Dr. Wiley? (No response.) Then we will hear you, Dr. Wiley.

Dr. WILEY. Mr. Chairman and gentlemen of the committee, I come before you to say a word in favor of this measure. There are two ways, I believe, of preventing murders: One is punishment of the crime, and the other is forbidding the carrying of concealed weapons. This measure which is before you has principally for its object the forbidding of the carrying of concealed weapons. There has been no question, I believe, of the dangers that come from the use of secret drugs and that these dangers can be largely avoided by acquainting intending users with the nature of these drugs which they are about to use. That was the basis of the present clause of the pure food and drugs act, requiring certain drugs which go into interstate commerce to carry a plain statement upon the label of their presence.

This is not a prohibitory measure, as I myself would like to see it, but it is an informing measure. It has for its purpose the keeping of a record of the sale of certain drugs so that any abuses which may come from their use can be traced to the sources of supply, and, if possible, those sources of supply dried up. I, of course, would like to see the bill much stronger than it is in its present shape. I do not believe there would be much loss to medicine if the importation and use of many of these drugs were absolutely prohibited. You gentlemen can all remember a few years ago when alcohol was considered an indispensable implement in pharmacopoeial armament, and yet there are many physicians to-day—perhaps a majority of them—who do not prescribe alcohol at all. In my opinion there would be no loss to the pharmacopoeia of the United States if alcohol were absolutely excluded from it. I read in the paper this morning of a gift left to a hospital on condition that alcohol should no longer be used in that hospital as a medicine.

I know the great importance of mitigating pain; but, gentlemen, it is better to suffer a few days than to be a slave for all the remainder of your lives if you happen to get well. It seems to me that the

excuse for the use of these pain-killing remedies to-day is to promote euthanasia, and if the patient is not going to die I doubt if any wise physician will take the chance of establishing the habit in a patient who is to get well. So we are not asking for prohibition, which is what I would like to ask for if I had my way, but regulation. I believe this measure will be a useful regulation.

I have listened with much interest to my friends, the members of the pharmaceutical profession, with whom I am very intimately associated. I appreciate the strength and pertinence of the arguments they have made, but I must be allowed to deny their efficiency. It is true, I have no doubt, that great hardships will be imposed upon the trade by the adoption of some such measure as this. But the greater the hardships on the trade the more restricted will that trade become, and if these hardships are such as will take the profit out of the trade entirely, we may have a very efficient means of prohibition just through that measure. I do not think, however, it is impossible to make the registrations which are required. I think that in the regulation of the production of spirits and fermented beverages there are regulations and laws just as onerous as those which are imposed in this measure, and yet the distillers and the brewers have no great difficulty in complying with those regulations. I do not believe that there is a manufacturing firm in the country that has 5,000 accounts that has any difficulty in balancing its books at the end of the year; and if you can enter upon your books and collect the money for a drug you can stamp it in any way which this proposed law provides. So I do not believe there is any insuperable difficulty of trade connected with the enforcement of an act like this. While I hate to see a single burden placed upon trade which is not necessary, while I would recognize keenly the difficulties under which the pharmaceutical profession labor to-day in their business, I would not hesitate to impose additional burdens upon that trade if by them I could lessen the dangers which come from the indiscriminate use of these drugs. I should like to suggest to the committee, in their wisdom when they amend this bill, that they shall add to it and not take from it.

The other day those charged with the health of the children of this District issued a circular to the parents of children in the District of Columbia, in the interest of the health of the children in the public schools, and in that circular they advised parents not to allow their children to use tea and coffee at home. At the same time I could show you a list of almost a hundred materials which contain the very alkaloids which exist in tea and coffee, and which are allowed to be sold without let or hindrance, perhaps, at every soda-water fountain in this District and in this country. So let us go further instead of less far in the inclusion of drugs in this. I should like to have caffeine included. That certainly is a habit-forming drug.

If you were regulating the discharge of a weapon on the streets of a city, you might say that a man might go down on Pennsylvania Avenue and fire a revolver one hundred times and he would not kill anybody. Possibly that is so. At the same time, this bill, it seems to me, ought to include such things as the indiscriminate discharge of revolvers in the streets; it ought to include, above all other things, these so-called headache remedies. It is true, one hundred people

may take them and not one man die, and yet there is scarcely a morning that I do not read in the paper of some person dead from the indiscriminate use of drugs in these powders. Concealed weapons, gentlemen, deadly weapons, taken without knowledge and without discretion by the people of this country at large. Just such a remedy as this, if it goes far enough, will protect the public against such concealed weapons.

I should like to see acetanilid, antipyrine, and phenacetin, and all those drugs which go to make up, generally, the so-called headache cures, included in this act. I would like to see some way to prevent the physicians from abusing the privilege of prescription in these deadly drugs, if that could be done. I should like to see this bill so drawn that it would be a crime to sell it under its provisions to any person who abuses its use. I think that could be accomplished, because of the registration which is required here, and we can trace every abuse of this article to the person who has prescribed or abused it, and make it an offense to sell that person any more. I would like the license \$100 instead of \$1. I would not make it so easy to deal in these drugs. I would make it a real revenue measure, under which money would have to be paid for the privilege, and good money and lots of it. It would make fewer dealers, and a better law.

At the same time I would like to see the bill so drawn as to relieve the legitimate trade, which is represented here to-day with such distinguished representatives, of every unnecessary burden. I can not go into detail in this matter, but I do not want to impose a single unnecessary burden upon the trade. But I would like to see this bill become a law, because it is a step, and if it is not a good step, it can be added to in the future. I hope this committee will give serious consideration to these facts.

We are a drug-ridden people. We want to lessen the evils of the indiscriminate taking of drugs, and especially of those that form habits that degrade, not only physically but mentally and morally, their victims. It is in the power of this Congress and this committee to so regulate interstate commerce and so regulate trade by the taxing power that you can help the local authorities in the States and in the cities do the final work which they must do to make such measures effective. Therefore I raise my voice in favor of a favorable consideration of this or some similar measure in the interests of the people of this country.

Mr. HILL. I would like to ask whether in section 6 you would insert the word "knowingly," or leave it out?

Dr. WILEY. I would certainly leave it out. These things are just as deadly whether you know about them or not.

Mr. WOODRUFF. The word "knowingly" in section 6, as I remember the section, is not so important as it is in section 4. A man can not receive or import or purchase who has not registered, without knowing what he is doing. But in section 4 is a provision that, I am informed, is more drastic and impossible to comply with than any provision of the internal-revenue act. It reads:

That it shall be unlawful for any person to send or transport in interstate commerce any of the aforesaid drugs or any of their salts, derivatives, or preparations, to any person other than a person who has registered and paid the special tax as required by section 1 of this act, or for any person to receive, in interstate commerce, any of the aforesaid drugs or any of their salts, derivatives, or preparations, other than a person who is registered and has paid.

How is the wholesaler or the manufacturer dealing with 400 regular wholesale dealers, or with 44,000 retail dealers, going to know whether that wholesaler is registered or not? That is a problem you have to solve. How is he going to know whether the retailer, who may be a regular retailer registered on the list of the State, is registered under this law or not?

Mr. HARRISON. Would not the law impute an intention in case of the commission of a crime or misdemeanor? Why is it necessary to express it in the statute?

Mr. WOODRUFF. It would not impute it where, from the very nature of the case, the man could not know.

Mr. HARRISON. Then he has not committed any crime, because he has no intention.

Mr. WOODRUFF. If we were certain that the courts would so hold.

Mr. HARRISON. You are a member of the bar, are you not?

Mr. WOODRUFF. I am an attorney, and I know there is a conflict of authority on that very question.

Mr. GAINES. Where one sells to a minor is it any defense where he says he does not know the person is under age? I think not.

Mr. HILL. At the last hearing it was generally accepted that it should not be sold at all unless registered, and a copy of the registration list should be furnished by the Internal Revenue Department.

Dr. WRIGHT. That was the case, and the Commissioner of Internal Revenue informed Dr. Schieffelin, and he has since informed me, that under a regulation they can issue a serial number to the person who is registered under this act, and that register number would make an order valid.

Mr. HILL. And customers were to be limited to that?

Dr. WRIGHT. To that; yes, sir.

Mr. WOODRUFF. On the question of intent, my attention is directed to this provision, found in the internal-revenue laws compiled in 1900:

Revenue laws are not like penal acts, to be construed strictly in favor of the defendants. They are rather to be regarded as remedial in their character, passed to promote the public good, and should be construed as to carry out the intention of the legislature in passing them.

I can conceive, Mr. Chairman, if you will allow me a moment, that the word "knowingly" inserted there weakens it, to some extent, and I could suggest an amendment to the whole section and so word it, similar to the Michigan law, as to require the manufacturer or the wholesaler to have an order signed by one who purports himself to be registered under the law at the time he sends the order, and making it penal for him to sign himself as a regular buyer or dealer unless he is such. There is your remedy that does not impose a risk upon the manufacturer, and we do not ask any exceptions or shirk any responsibilities that it is practical to assume and comply with. But what we do object to in this bill are those features which are impossible to comply with, where we receive no protection, and where, for a mere clerical omission, whatever may be our intentions, we are so heavily penalized. I think unless you change the bill to make some provision of that kind—if you retain this provision, it being a revenue law, the word "knowingly" ought to be inserted in section 4.

Mr. McCALL. This would apply not merely to one selling the drug but to any common carrier, would it not?

Mr. WOODRUFF. I would so construe it.

Mr. MCCALL. An expressman, for instance, handling the drug?

Mr. WOODRUFF. That relates to the receiving. That question was raised this morning.

Mr. GAINES. "It shall be unlawful for any person to send or transport, in interstate commerce, any of the aforesaid beverages."

Mr. WOODRUFF. I think the committee appreciates the point and can make the proper amendments to the law. The point is this: You do not want to impose a penalty upon anyone coming under the operation of this act when that one has to take risks. If the whole matter is studied carefully, I think the committee will protect the manufacturing pharmacist in that regard. And while I am on my feet, I would like to say that we fully appreciate the importance of this matter of keeping the records. The possibility of it is another thing. I do not know whether I presume in making this suggestion or not, but this is a practical question: If some representative of the Government, say Dr. Wiley, appoints some representative, this committee appoints a representative, and the other interests another representative—a committee of three—and that committee will come to Detroit at our expense, go into our laboratories, see the operations of our business, and also study the operations of the Michigan law and the Massachusetts law with reference to the very information that these gentlemen want, and then tell us how we are going to make a record, we will keep that record.

Mr. RANDELL. With reference to the word "knowingly," if that is put in section 4, would it not make it almost impossible to ever get a conviction, or if it is not, would it not make everyone liable to be prosecuted where there is really no intention to commit a crime? It is pretty hard to frame a satisfactory law.

Mr. WOODRUFF. It is hard to frame, I appreciate that. It is very difficult to frame, and yet I do not conceive it impossible to secure a conviction. As to whether a man knowingly did it or not would be, of course, a question for the jury.

Mr. RANDELL. It would have to be proven that he did not know.

Mr. WOODRUFF. It is proven, and proven from the circumstances. If Parke, Davis & Co., for instance, as manufacturers, shall send to Tom, Dick, or Harry, whose name does not appear upon any commercial report, or in any other reputable data, as being wholesale druggists or retail druggists, I think the burden is shifted onto Parke, Davis & Co. to prove he is registered. But last year there was pending what was called the Mann bill. It had some of these features, and I sent a substitute in, which was not acted upon, in which I used language prohibiting any manufacturer or wholesaler sending into interstate commerce, to anyone he did not have good reason to believe was another wholesaler or another retailer, any of these habit-forming drugs. The question would come up, what would be good reason to believe? I also made that law put the burden of proof on the manufacturer, and suggested that a good reason to believe that such a man was a wholesale druggist or retail druggist was that if you found his name in the commercial reports, or if they were registered as such, officially, under the state laws, it would be good reason to believe. Put us upon our inquiry, if you please, but give us the means of finding out.

Mr. HILL. Would you not have it if you had a regular registration list from the Internal Revenue Department before you?

Mr. WOODRUFF. If we had that and could depend upon it being up to date.

Mr. HILL. If it was not on there you would lose the custom, would you not? You would be very apt to get it up to date?

Mr. WOODRUFF. That would depend a great deal on the Commissioner of Internal Revenue. Just as soon as anyone registered he would have to send to 144 retailers.

Mr. GAINES. I do not think so. If you did not have a name and the order came in, would you not wire him and find out? You would soon get your list all right, I think. [Laughter.]

Mr. McCALL. Suppose a man's name had been stricken from this list?

Mr. WOODRUFF. And we not informed.

Mr. McCALL. You had it on the list before you, and the mere fact of sending it to a man whose name was not on the list is made a crime.

Mr. WOODRUFF. I think you have got to put that word "knowingly" in, or else change the provision so as to require the manufacturer to have an order. What I would be in favor of would be an order upon a separate sheet containing only the inhibited items, signed by the registered pharmacist, or wholesaler, and if he had a serial number let him say "License number so-and-so:" but do not put it in this shape and put him at the risk. When you provide a record make it possible for the manufacturer to keep that record.

Mr. GAINES. Suppose you leave this as it is, without having the word "knowingly," so as not to include the transportation people; but leave it as it is, and then draft a proviso, "*Provided*, That if the person selling can show such facts he shall not be convicted." Charge him in some way with a reasonable effort.

Mr. WOODRUFF. You have reference to the commercial reports. You understand, gentlemen, that every order that comes into our establishment—and I presume it is the same with all the others that are represented here—goes to the credit man. He has to have information in regard to the standing of that man or the parties sending in the order and his source of information is the commercial reports.

Dr. HYNSON. Do you know there are hundreds of thousands of retail dealers who have to go through the same things you do, who get orders, who are not as large as you are, but yet are manufacturers?

Mr. WOODRUFF. Retailers; yes.

Dr. HYNSON. Do they not manufacture these same preparations?

Mr. WOODRUFF. There comes up another question. A good many retail pharmacists put up their own cough sirups, their own pharmaceutical preparations, and there is an agitation that we shall put up our own pharmaceutical preparations. That is a broad subject.

Dr. SCHIEFFELIN. I want to bring out the point that there are more than two or three persons who would have to bear these burdens; and if the large majority are willing to bear them, why should you not?

Mr. WOODRUFF. I do not think the retail trade of the country is willing to bear them. I do not think there is anyone here authorized to speak for the retail trade.

Dr. MUIR. The National Retail Drug Association was not authorized to appear against any such bill as this, from the resolutions that were passed at the last meeting, and I was present at the last meeting and heard every resolution passed.

Mr. WOODRUFF. Do you mean in favor of or against?

Dr. MUIR. They were not authorized to appear against this bill.

Mr. WOODRUFF. Were not authorized to speak upon it at all?

Dr. MUIR. Yes, they were authorized to speak on certain measures that were to regulate and stop the sale.

The CHAIRMAN. This committee is more interested in what the gentlemen know about this matter and the facts than they are in who passed a resolution. If you want to file any evidence about the passage of a resolution the clerk will receive it hereafter.

ADDITIONAL STATEMENT OF MR. DONALD M'KESSON.

Mr. MCKESSON. I would suggest that in section 4, instead of using the word "knowingly," it read:

That it shall be unlawful for any person to send or transport in interstate commerce any of the aforesaid drugs or any of their salts, derivatives, or preparations, to any person other than a person who he has good reason to believe, has registered and paid the special tax.

Mr. MCCALL. Therefore a common carrier, a railroad, charged with the knowledge with what was in every package that they transport in the first place?

Mr. MCKESSON. That is beyond my ability, to correct the law in that point.

Mr. MCCALL. You have in the words "transportation," and the common carrier certainly transports.

Mr. MCKESSON. That has been taken care of in previous internal-revenue measures, but how it was done I do not understand. The Commissioner of Internal Revenue would have to draft a measure to free the common carriers.

STATEMENT OF DR. L. F. KEBLER, BUREAU OF CHEMISTRY, UNITED STATES DEPARTMENT OF AGRICULTURE.

Dr. KEBLER. Mr. Chairman, I have considered this question for a goodly number of years, and have written several bulletins on the subject of habit-forming agents. I have read this bill very thoroughly. I have devised several schemes myself by means of which I believe the habit-forming drugs and agents containing the same could be regulated, but so far I have not been able to devise a satisfactory scheme, and the one before us here to-day is the best I have seen, and it is for that reason I advocate it.

I agreed fully with all of the speakers who have been here in favor of this bill. Every point they have raised so far that comes within my knowledge is correct. I want to just bring out a few figures, and illustrate by examples, that the parties opposed to the bill have raised. For example, some have intimated that physicians' prescriptions should be exempt. I am a medical man myself. I am a registered practitioner in the District of Columbia, and I hope such a view will not be entertained by the committee. I will show you a few instances to illustrate my point. I have in my hand a prepara-

tion sent out by an institution which is controlled by, or at the head of which is a medical man. If you will look at that label you will find that there are 24 grains of morphine to the ounce in that material.

Mr. HARRISON. What is the name of the compound, and the name of the doctor?

Dr. KEBLER. The doctor's name does not appear in this case. He is a nonentity, so far as the preparation is concerned. I know the doctor and the institution.

Mr. HARRISON. Who is he, and what is the name of the institution?

Dr. KEBLER. I will give it to you in a moment. [Reading:]

In combination with James's mixture for the gradual reduction and treatment of narcotic drug addiction. The St. James Sanatorium, Memphis, Tenn.

Mr. HARRISON. Who is the doctor?

Dr. KEBLER. I do not remember his name, but I have several here whose names I do know, of the same type. I have a faint recollection of his name, but I would not give it to the committee as positive. Here I have one that contains 22 grains of morphine to the ounce. It is sent out by a good physician, Dr. Purdy, of Houston, Tex.

The CHAIRMAN. Does that label give the list of the diseases it will cure?

Dr. KEBLER. No, sir; both of these are sent out to treat drug addiction, the very things, opium and morphine.

Mr. GAINES. Twenty-two grains to the ounce, you say?

Dr. KEBLER. Twenty-four grains to the ounce in the first one. One-fifth of a grain of morphine is an average dose for the individual. There is enough in there to kill about 20 people. Yet that product, under our present laws, is sent out into every home without even a label to indicate its poisonous nature. Here is another one sent out by a doctor, a catarrh remedy, by Dr. Tucker, of Mount Gilead, Ohio, which contains cocaine. The exact quantity I do not remember. But that product is sent out far and wide, and we have complaints from every source. We have records to the effect that that man is buying from certain manufacturers—from how many others we do not know—at least 200 ounces of cocaine per month, distributing it throughout the United States in the form of this "Dr. Tucker's Asthma Specific."

A GENTLEMAN. In some months it is 512 ounces.

Dr. KEBLER. I have not that record, and I am glad you supplemented me.

Mr. GAINES. Are those preparations put up under labels in accordance with the pure-food law?

Dr. KEBLER. Yes, sir. Unfortunately, we can not get at them. I want to speak about these small quantities for a moment. Of course a physician's prescription with small quantities would be exempt, just the same as these large quantities, if an exemption should go in. Here is another one of the same type. This goes out from an institution. That is one package of ten marked "First treatment," leading the unfortunate victim to the belief that it is the first treatment, and how many more he expects to get no one can tell. But that preparation contains, in each ounce, 4 grains of morphine and $2\frac{3}{4}$ grains of dionine. Dionine is simply a derivative of morphine. Ten bottles of that product were sent to one and the same individual at the same

time, and we have gotten at least two different treatments out of the same people containing the same quantities for the same individual.

As to these small quantities that have been referred to here on several occasions, I want to just call attention to these innumerable preparations known as soothing sirups, things of that type, children's comforts, mother's comforts, baby ease, and so forth. They contain small quantities of opium and morphine, but they are, all of them, drugged sufficiently to make a most lasting impression upon the little ones of our country, and I hope for their sakes that no member of this committee will be inclined, because of the arguments presented here to-day, to give preparations of that kind a clean bill of health. Let our little ones, let our school children and others, at least, have a fair chance in this world. Let them not be tempted. They have enough troubles as they go along.

Mr. FORDNEY. You have stated that there was enough poison in one of those bottles to kill 20 people.

Dr. KEBLER. Yes, sir.

Mr. FORDNEY. Do all those bottles contain deadly poisons somewhat proportionately?

Dr. KEBLER. This one does [indicating]; this contains 22 grains.

Mr. FORDNEY. All contain stuff that would kill people?

Dr. KEBLER. Yes, sir. I have not a bottle here that would not do it. Here is a preparation used in manufacturing soft drinks, sold far and wide throughout the United States, and if it should come to pass that coca leaves should be exempt, preparations of that type could be sold far and wide without any restrictions. That particular package contains one-thirtieth of a grain of cocaine to the ounce, the amount used in making a glass of the finished product.

Mr. BOUTELL. What is that called?

Dr. KEBLER. This is known as Shelhorne's cocoa. Now, we come to these catarrh cures. The same argument might be raised there as to a small quantity being harmless. Those of us who are familiar with the bad, pernicious effect that these products have in our country would never think for a moment of being liberal with these products. There is a commodity known as Dr. Cole's Catarrh Cure, which is apparently guaranteed under the food and drugs act by a double serial number. That product has largely been eliminated from the regular channels of trade, but my experience has been, going around with the police in this city who have the duty of ferreting out these things, that these things, these catarrh remedies, parade in those subterranean channels.

Mr. McCALL. What is that composed of?

Dr. KEBLER. Cocaine, about 4 per cent. Here is another of the catarrh remedies that also contains a small quantity. I do not wish to be misunderstood, because my experience with the wholesale and the retail trade has been that the vast majority of them are desirous of doing what is right. But there are some who will do that which is not right. A goodly man of this city came to us and asked us if we could not do something to eliminate some of these cocaine preparations under the law. I ask him to give a history, which he did. To make it short, I asked him to give the name of the dealer who sent to the habitue in this city, which he did. I immediately corresponded with this wholesale druggist, and he sent three packages, of which this is one. It was formerly called "Dr. Angles' Catarrh Cure."

Under the food and drugs act the "Dr." vanished. It is now called "Anglo-American Medicine Company Catarrh Powder." Here we have that same type.

Mr. McCALL. What is the nature of the components of that?

Dr. KEBLER. Cocaine.

Mr. HARRISON. Habit forming?

D. KEBLER. Absolutely. Cocaine is one of the worst we have.

Mr. HARRISON. From so small a mixture a man would get the habit, from using that amount?

Dr. KEBLER. Absolutely.

Mr. BOUTELL. What are the infant remedies you spoke of? You did not mention any names.

Dr. KEBLER. I can mention some. I do not like to advertise some of these things too widely. At the same time I have no objection to giving the names. Here is Children's Comfort, made in Philadelphia; Dr. Fahey's Pepsin Anodyne Compound; Dr. Fahrney's Teething Syrup; Dr. Fowler's Strawberry and Peppermint Mixture; Dr. Grove's Anodyne for Infants; Hooper's Anodyne, the Infant's Friend; Jadway's Elixir for Infants; Dr. James' Soothing Syrup Cordial; Kopp's Baby's Friend; Dr. Miller's Anodyne for Babies; Dr. Moffett's Teethena, Teething Powders; Victor Infant Relief; Mrs. Winslow's Soothing Syrup, etc. We have about 50 of those, in addition to these, under investigation now.

I just want to call your attention to one more line, and that is the imported products of small quantities. This package is a Chinese preparation. It is called a tea pellet. It contains opium, and it finds its way into all channels, almost all walks of life. We have frequently prohibited its importation on the ground that it is dangerous to the health of the public. For a little while it was permitted entry, but it was found that these things were also finding their way into the Indian reservations, and those who have charge of those people make complaints. We made investigations, and we found that these things were going into those people's hands to their great detriment.

I want to file with the committee, also, a little pamphlet recently published by the medical association, in which one Dr. J. W. Coblentz was put out of business by a fraud order.¹ I would like also to file this little Farmers' Bulletin 393, entitled "Habit-Forming Agents."²

That is virtually all I have to say, unless I were to multiply and go over what I have already covered.

STATEMENT OF DR. CHRISTOPHER KOCH, PRESIDENT OF THE PHILADELPHIA ASSOCIATION OF RETAIL DRUGGISTS, VICE PRESIDENT OF THE STATE PHARMACOPŒIA EXAMINING BOARD OF PENNSYLVANIA.

Dr. KOCH. I merely want to reply to some of the arguments presented here this morning and this afternoon. I listened to everything very intently, and I am still of the opinion that this bill is all right in its present form. The detail to which the wholesalers object

¹ Entitled "Dr. J. W. Coblentz," published by the Journal of the American Medical Association. Not printed.

² Published by U. S. Department of Agriculture. Not printed.

is going to be the very means of accomplishing the object of this bill; in other words, the detail is onerous and burdensome and nobody wants to be bothered with it, and as a result you will find that instead of 5,000 preparations Mr. Plaut referred to in a short time they will drift down to 50 or 100.

As to the insertion of the word "knowingly," I think my friend Mr. Woodruff need have no fears. I understand this is a criminal act and the man who commits an offense is responsible and not the principal. If the wholesale houses instruct their clerks to sell only to the people who are on this list furnished by the revenue department, and the clerk disobeys his instructions, the clerk is responsible, and the clerk is amenable to the fine and imprisonment and not the principal.

Mr. McCALL. Is not the tendency just the other way, to hold the big man rather than hold some poor underling?

Dr. KOCH. Precisely.

Mr. McCALL. What you are doing is to put it on the clerk.

Dr. KOCH. No. The objection is by the big men. "You ought not to place the big man in that position," they say. The big man is apprehensive about something he need not be apprehensive about. So far as the big man is concerned, I think he is the one who wants to be put on record.

I want to put in evidence the correspondence conducted by the State Pharmaceutical Board of Pennsylvania with Parke, Davis & Co., in which we asked them to give us records of the cocaine they sold in Pennsylvania, and to which they replied that they are not compelled to give us the records.

Mr. WOODRUFF. There is nothing in that correspondence, if he has the whole of it, that I am not willing to go into the record. But I would like to have the correspondence speak for itself and not Dr. Koch speak for the correspondence. Moreover, if Parke, Davis & Co. is on trial before this committee, I would like to be furnished with a copy of the indictment and be given an opportunity to plead to it before we go to a hearing.

Dr. KOCH. I have no desire to inject anything savoring of a trial. I merely want to try and drive home the fact that unless there is Federal regulation compelling these people to give us these records the State authorities are unable to enforce the law; and I will offer the correspondence without any further comment.

DETROIT, MICH., July 22, 1909.

Mr. LUCIUS L. WALTON,

Secretary State Pharmaceutical Examining Board,

Williamsport, Pa.

DEAR SIR: Mr. Johnson, our salesman having supervision of our Pittsburg office, sends us blanks you have furnished him for making quarterly report of cocaine sales, etc., under the new Pennsylvania law.

We have no report to make. This company does not do business in Pennsylvania. The offices maintained in Pittsburg and Philadelphia, respectively, are simply for the convenience of our travelling salesmen operating in territories contiguous to these points. Every sale is made either in New York City or Detroit, the latter place with respect to Pittsburg and contiguous territory. We have therefore made no sales which come under the jurisdiction of your esteemed board.

We want it understood, however, that we are heartily in favor of wise legislation restricting the sale of cocaine. To that end we confine our direct relations to the wholesale trade, which in turn should sell to the retail trade only,

since a purveyor not in immediate touch with his patrons can not tell whether one who offers is entitled under this law to purchase or not.

We assume that your board does not demand reports from manufacturers and wholesalers not resident in Pennsylvania; nevertheless, if it were possible, we would gladly honor your request for a report of the orders from your Commonwealth we have received. As it is we must respectfully ask you to accept our assurances that our offices in Pennsylvania are working under these instructions:

1. Of course not to submit orders from the public. This obtains with respect to all our preparations.

2. To refer inquiries from physicians, dentists, and retail druggists for cocaine preparations to some local jobbing or direct buyer, who is naturally in position to determine what orders he can lawfully fill, and who has made arrangement for keeping the record and making the quarterly reports required by the law.

3. To submit to New York with respect to Philadelphia, and to Detroit with respect to Pittsburgh, orders from direct customers and jobbers only.

As we have no agent or officer in Pennsylvania possessing any greater authority than to solicit and submit orders subject to our approval, kindly write this office your views in the premises and oblige.

Very truly, yours,

CHARLES M. WOODRUFF,
Manager Parke, Davis & Co. Legal Department.

JULY 24, 1909.

PARKE, DAVIS & Co., *Detroit, Mich.*

(Mr. Charles M. Woodruff, Manager.)

DEAR SIR: We have at hand your esteemed favor of the 22d instant for which we thank you.

From the facts detailed therein we understand that you do not sell cocaine, its salts, etc., in Pennsylvania; that such orders as you receive for these drugs from dealers residing within this State are turned over to jobbers or wholesale dealers in drugs doing business here or supplied by you direct from Detroit or New York.

You are correct in assuming that we do not demand reports from manufacturers or wholesalers not resident in Pennsylvania, for we have no authority to do this.

If, however, you could find it convenient to favor us with reports of your sales of cocaine and its salts, which you make from Detroit or New York, to retail dealers in drugs resident in this State, it would no doubt greatly assist us in confining the sale of cocaine in this Commonwealth for legitimate uses only.

We should highly appreciate having you do this, and should you so favor us it would assist us in getting other nonresident dealers to make similar reports.

We may say that a report limited to sales of cocaine and its salts and not including "any substance or preparation containing cocaine," etc., would be all that we would ask from you.

Very respectfully, yours,

THE STATE PHARMACEUTICAL EXAMINING BOARD OF PENNSYLVANIA,
L. L. WALTON, *Vice President.*

DETROIT, MICH., *July 26, 1909.*

MR. LUCIUS L. WALTON,

*Vice President, The State Pharmaceutical Examining
Board of Pennsylvania, Williamsport Pa.*

DEAR SIR: We beg to acknowledge your esteemed communication of July 24. The writer is not in position to say whether it will be practical to comply with your request that we make quarterly reports of sales of cocaine and its salts, not including any substance or preparation containing cocaine, etc., to retail dealers in drugs resident in your State or not, but he will strongly recommend such action. Such reports, however, should doubtless be confined to sales invoiced direct to such retail dealers. These sales are comparatively few, since most sales to retail dealers are upon the requisitions of wholesale cus-

tomers, the invoice running to the wholesaler. These cases occur usually when the wholesaler is temporarily out of stock. Doubtless wholesalers make their records and reports from their invoices, and if we should report such a shipment it would be duplicated in the wholesaler's report and confusion ensue.

Very truly, yours,

PARKE, DAVIS & Co.,
WDBF.

JULY 27, 1909.

PARKE, DAVIS & Co., *Detroit, Mich.*

GENTLEMEN: Your kind favor of the 26th instant in re reports of sales of cocaine and its salts to this board is herewith acknowledged and very much appreciated.

In making reports of sales made by you from either New York or Detroit to retail dealers in Pennsylvania, we should, of course, like it understood that only such sales as you ship and invoice direct are requested to be reported to us.

Since writing our letter of the 24th it has occurred to us that under the New York statutes regulating the sale of cocaine, you are required to keep records of your sales. It would, therefore, seem to be not so difficult a matter to carry out should you decide to favor us with a monthly or quarterly transcript of the record kept by your New York office, as far as it relates to direct sales and shipments of cocaine and its salts to retail dealers in this State.

Very respectfully, yours,

THE STATE PHARMACEUTICAL EXAMINING BOARD,
L. L. WALTON, *Vice President.*

DETROIT, MICH., *July 29, 1909.*

MR. LUCIUS L. WALTON,

*Vice President State Pharmacutical Examining Board,
Williamsport, Pa.*

DEAR SIR: When writing your esteemed communication of July 27 just to hand you probably did not consider that the only sales of cocaine the New York statute requires our New York office to keep a record of are sales to customers in New York. Its records therefore would not give any information respecting sales to Pennsylvania customers.

The writer has been in personal touch with the methods of this company and its correspondence for over 25 years and can testify to the extraordinary care this company has taken not to unwittingly supply such pharmaceuticals as abortifacients, morphine, opium, cocaine, etc., to the public. He has made something of a study of the cocaine situation and is the author of the Michigan law passed at the last session of the legislature. There is a misapprehension current as to the source of supply of the cocaine that is sold to cocaine fiends. Practically all that is sent out in the regular way by manufacturers through jobbers or dealers is finally dispensed upon physicians' prescriptions. If one could accumulate the experience of wholesalers and manufacturers of the country, one would readily conclude that the purveyors who supply the dope trade are practically receivers of stolen goods. This company has had as many as half a dozen cases within the last two or three years resulting in conviction and imprisonment of the thieves, but has no means of telling how much more has been stolen from it. This is the experience of the wholesale trade and other manufacturers in this city. Only recently one of our representatives reported that a certain druggist in a large southern city had purchased from an itinerant for about \$50 an assortment of opium, morphine, and cocaine pills, etc., bearing our label, the wholesale value of which was about \$200. This unquestionably was all stolen property and the druggist should have known it. We can not find that it was stolen from us, and so far we have been unable to discover what wholesaler is the victim. Recently, also, the manager of our New York office learned that a certain druggist in a near-by New Jersey city was selling cocaine at ridiculously low prices. Experience convinced us that this was stolen cocaine. Detectives were employed, with the result that we discovered that the druggist in question received the cocaine from a preferred druggist near Philadelphia, who in turn received it from a young man connected with a large public institution in Philadelphia. This institution had purchased

in the regular way from us and itself was the victim. We placed the evidence in the hands of the manager of the institution, considering ourselves relieved from further responsibility in that particular case. The writer understands that the young man who stole the cocaine in the first instance was well connected, and the matter was quieted for the sake of the family.

We write at this length to convince you not only of our good faith but earnest desire to restrict the sale of cocaine to lawful uses. The writer's private views are that much of the legislation is bungling and ineffectual. A whole lot of useless detail is required of manufacturers and wholesalers that it is impossible for them to be certain of carrying out. The cooperation of Federal legislation is certainly required, and we are glad to be able to reply to requests we receive to mail cocaine, by writing that this would be contrary to the postal laws. A proposition penalizing manufacturers and wholesalers for shipping into any State any substance contrary to the laws of that State has been suggested; but this simply makes it impossible for such a concern to do business at all without running the risk of unconsciously incurring penalties, for it is impossible to watch the laws of 46 States, to say nothing of Territories. What manufacturers and the trade require and should have is one clear and decisive statute upon the subject, to which the manufacturer can refer, and which he can interpret with reasonable certainty. Such a law would be an act forbidding the introduction of cocaine, etc., into interstate commerce except under certain restrictions. Manufacturers and jobbers desiring to export to other States should be licensed; also jobbers desiring to import from other States or any foreign country. Manufacturers and jobbers should then be permitted to export to other States only to other licensed manufacturers and jobbers in such other States. This would eliminate the problem of interstate commerce in cocaine, etc., and leave each State to regulate the traffic within its borders as it sees fit. Such a law would be welcomed by manufacturers who are naturally anxious to confine their direct relations to the few large jobbing buyers, but who under present conditions can not control the situation in this respect.

As for making reports of sales of cocaine and its salts from our New York and Detroit offices to Pennsylvania customers, we fear this is going to be impossible. You would appreciate this fact if you were to spend a few days in either our New York or Detroit office and note the character of the requisitions we receive and the number and variety of items they embody; in any instance, however, where it is suspected that an unlawful purchase has been made of us we shall be glad to refer to our books and report the facts.

Trusting this will be entirely satisfactory, we remain,

Very truly, yours.

PARKE, DAVIS & Co.,
WdFF.

JULY 31, 1909.

Mr. CHAS. M. WOODRUFF,
Parke, Davis & Co., Detroit, Mich.

DEAR SIR: Your esteemed and interesting letter of the 29th instant is received with pleasure.

If we are in error in presuming that your records of sales of cocaine made in your New York office would show your sales, if any were made, to dealers residing in Pennsylvania, it is because we misinterpret the New York cocaine law, as amended in 1908.

That statute permits sales of cocaine to certain licensed persons, manufacturers, and wholesale dealers, upon compliance with its provisions for labeling and the keeping of records. Upon the theory that a sale of cocaine made within a State must be made in accordance with the law of that State regulating and restricting its sale, regardless of the fact of its being made to persons residing outside, we interpret the New York law, as we do also the law of Pennsylvania, viz, that every sale must be entered in the book of record.

We should be pleased to have you advise us if you think these laws are susceptible to this interpretation, and, if so, why are you not required to keep record of sales made to dealers at your New York office who reside in other States?

It is possible that the authorities may only desire records of sales made to dealers in New York, and perhaps that may account for the fact of this limitation, or to confine these records to all sales made to dealers both within and without the State might be to interfere in a matter which can only be regulated

by the National Government. If the matter is true, then we are wrong in insisting upon wholesalers doing business in Pennsylvania reporting to us their sales to persons outside this Commonwealth.

As far as our power lies we wish to avoid imposing unnecessary burdens or requirements upon wholesalers and manufacturers. Your opinion, therefore, upon this question of the application of the provisions for recording sales, as found in either or both of these laws, will be very greatly appreciated by us.

The writer does not have a complete or official copy of the new Michigan cocaine law. He has, however, noted the reference to it in a recent issue of the Bulletin of Pharmacy. He agrees with you that much that is useless and burdensome has crept into our cocaine laws. He regrets to have to say, and in all kindness he does say, that it does not appear to him that the Michigan law has entirely eliminated the useless.

Your law, like ours, in its enumeration of the items restricted, in his opinion, goes too far. As he understands them, "any compound, mixture, or solution or other product whatsoever of which cocaine or any of its salts is a constituent or ingredient," or "any substance or preparation containing cocaine, its salts, etc.," includes preparations made from coca leaves. If we are to believe the investigations of Dr. Rusby, with whose study of coca I have no doubt you are most familiar, what sense, permit me to ask, is there in restricting the sale of them?

The presence of this clause in our law undoubtedly works a useless and unnecessary burden upon wholesalers who must sift out these sales and report them to us, while in your State it eliminates from ordinary sale wine of coca, etc.

The comment in the Bulletin which includes periodical reports among the things "which accomplish nothing" we think is not going to be sustained by our experience, neither are we able to admit, as a fact, your declaration that "practically all [the cocaine] that has been sent out by manufacturers through jobbers is finally dispensed on physicians' prescriptions."

Investigations made in this State last year, which resulted in the repeal of our cocaine law of 1903 and the passage of the present act, proved that large quantities of cocaine were being sold by jobbers in Philadelphia to retail druggists in that city who could not possibly have disposed of it in a legal way. Records or reports on file in this office, covering the period since May 8th, show a good many sales of cocaine by jobbers, which bespeak its illegal sale by the purchasers.

These reports we find valuable for the information they afford our board, who is charged with the enforcement of the act, as to the localities in which unusual quantities of cocaine are being sent. With this information, we are able to direct the work of our agents and detectives, and send them into places, very often into communities, in which we never dream that cocaine was being used in quantity, and thus they assist us in bringing the lawbreakers before the courts.

The burden, however, to the wholesaler in keeping records and making reports could be much modified from what they are now under our law, without affecting its usefulness.

Thanking you for your kind letter and the disposition it shows to cooperate with us to any extent reasonable, in enforcing our cocaine law as far as it may involve your business, we beg to remain

Yours, most respectfully,

THE STATE PHARMACEUTICAL EXAMINING BOARD OF PENNSYLVANIA,
L. L. WALTON, *Vice President*.

[Smith, Kline & French Co., wholesale druggists, 429-435 Arch Street, 105-115 North Fifth Street.]

PHILADELPHIA, May 3, 1910.

DR. CHRISTOPHER KOCH,
Sixth and Diamond Streets.

DEAR SIR: A representative of one of the largest chemical manufacturing houses in the United States was in to-day and stated to the writer that while the sales of cocaine had fallen off where they were endeavoring to enforce the law, much to his surprise the sales were greatly increased in other quarters.

I send you this statement so that you may impress upon others the absolute necessity of passing a drastic national law. I see by the papers that you and the board are already directing your energies to this purpose.

If such action is not taken and if the law is not enforced, the result in my opinion will be almost a national degradation.

The Government, in my opinion, would be thoroughly justified in not permitting the manufacture, importation, or sale of any preparation from coca leaves. The legitimate use is so small compared with its abuse that the community would not suffer through such prohibition.

We are informed that in certain portions of the country muriate of quinine with urea is being largely used hypodermically as a local anesthetic in the place of cocaine and with good results.

With kind regards, I remain

Yours, very truly,

HARRY B. FRENCH.

I might say here is some more cocaine bearing Parke, Davis & Co. labels that was bought in Philadelphia through just such a case. We had no record of the sale. We bought it indirectly six months after the time we might have had the evidence if we had had the report at the time of sale.

Mr. WOODRUFF. Was that not purchased from a retail druggist?

Dr. KOCH. It was; and I am glad you asked the question. The retail druggist in his defense before a court of law offered a statement, or his attorney did, that the authorities of Pennsylvania had no record of his having bought any cocaine; and it is true we did not have. He bought it outside of the State. We did not get any record. But we got the cocaine and it had these people's label on it. That, gentlemen, to my mind is a sufficient argument that we need interstate regulation.

Mr. WOODRUFF. I want to explain the reason for my question.

The CHAIRMAN. I think we will hear the gentleman through without interruption, and then we will hear from you.

Dr. KOCH. They say it is burdensome and impossible. Here are the cocaine reports we get from the manufacturers of cocaine and wholesale druggists in Pennsylvania. It is not impossible. Where there is a will there is a way, and it certainly is possible. It should be done and ought to be done.

As far as the objection raised about the stamp is concerned, Dr. Schieffelin advanced a proposition to have a number on the label. I think that would defeat the purpose of the bill. If you put just a serial number on the label, and have that on all of your labels, the people probably would not be warned that they were getting a preparation containing a dangerous drug. I think wholesalers have misjudged the intent of the stamp. I think that stamp on there is a warning to the consumer that he is playing with fire, and it ought to be made very conspicuous.

Dr. Muir asked a question here several times, "Would this bill prohibit those people from getting those drugs at all?" I answer that positively; "yes." He raised the question that anybody who buys the drugs can get a license. That is where the bond comes in. A man who is irresponsible can not get a bond, and the man who pays the tax and then furnishes the bond has to be reputable or he can not do it.

The proposition advanced by Mr. Woodruff concerning the word "knowingly" suggests the idea that the dope fiend is very secretive and ingenious, and he would soon find out that all he had to do to buy dope was to have a stamp with the license number on it and the

name of a registered druggist who had paid the tax. It would not take him long to have a stamp made, and he would be using it, and the stuff would be sold surreptitiously, just as it is now. Your chairman hit the nail on the head this morning when he said the retail druggist has always been held responsible for what he did, and why should not the wholesalers be responsible?

As far as confining the bill to the three drugs mentioned is concerned, I think we have heard enough from gentlemen more able to discuss that subject than myself, that there ought to be none of them exempted, that they all ought to be included, and, as Dr. Wiley said, I think there should be several added. I thank you.

ADDITIONAL STATEMENT OF DR. WILLIAM J. SCHIEFFELIN.

Dr. SCHIEFFELIN. Mr. Chairman, I think the act will be strengthened if only licensed pharmacists, or druggists, or physicians, are allowed to take out Federal licenses. If any man can pay \$1 or \$10 and we have to fill his orders whether we know he is a retail druggist or not, it will increase rather than diminish abuse, and I recommend that that proviso be added.

I want to point out that all the New York wholesalers four years ago voted not to handle and not to sell these cocaine catarrh powders. I only mention that in justice to the wholesalers. They did that of their own volition.

I would challenge any one to go to any wholesale druggist in New York and try to buy cocaine now, or even morphine. I think that the order mentioned by Mr. Towns was certainly through a misconception or misunderstanding—misinformation to the wholesaler. I do not doubt that Mr. Towns's friends bought the drug, but I am sure the wholesaler thought that he was supplying regular dealers.

As to Dr. Wiley's suggestion to add Coco Cola and the headache remedies and acetanilid, they would weigh down the law so heavily that it would not be practicable. So it would not be the part of wisdom to put in any of those things. That is another story. This is a law not to prevent the sale of any of these things, but to enable us to trace where they go in order that the State authorities may take reasonable measures.

Mr. Koch said at the last hearing you could watch 10 retail stores, but you could not watch 2,000. I say that is the argument, that you can keep tab on the cocaine fiend, but you can not keep tab of other things. What we want to do is to pick out dealers who are taking large quantities. If you burden down your records with fractional quantities you are going to defeat the very purpose of the bill. I am as anxious as any man here to have trade restricted, and when Mr. Towns says that the wholesalers ought to be the very ones to advocate certain provisions, because it would increase the sale of these drugs, I resent it, and say we are as anxious to diminish the sale as any man can be.

STATEMENT OF DR. HAMILTON WRIGHT.

Dr. WRIGHT. I want to contradict the proposition that was made in my name in regard to the economical effect of the use of opium. Mr. Plant suggested, I think, that I was authority for the view that

the drug was not so bad after all; it was more the economical effect. The committee knows my record, I think, in regard to opium. What I did say, and what I think is quite true, is that in countries of opium smoking, in China, perhaps, more so than in any other country in the world, where it is a habit, the economical effects are certainly of equal, if not of more, importance than the moral effect. But that is in countries of opium smoking. The moral effect of the use of any of these drugs in this country can not be measured.

Mr. GAINES. What do you mean by the economic effect as contrasted with the moral effect?

Dr. WRIGHT. In the case of the Chinese coolie, he earns a very small wage. When he becomes a habitue of the pipe it is not very long before he has to give up using a good quality of opium because he can not pay for it, and he comes to smoking the dross mixed with other stuff; that, in the end, ruins his health; he loses his earning power; he can not give up the habit; he becomes a charge on the community; his family is ruined. It is fundamentally an economic effect.

Mr. WOODRUFF. Mr. Chairman, Dr. Koch has introduced certain correspondence, he says, between the State Pharmaceutical Board of Pennsylvania and Parke, Davis & Co. I made the remark that I had no objection to the introduction of that—if I could have any—provided he has introduced the whole of the correspondence. I want to ask for the privilege of introducing, if necessary, after I return any of the correspondence that Dr. Koch has not introduced.

Dr. KOCH. I can satisfy the gentleman on that point. It is all there.

The CHAIRMAN. There is no objection to that.

Dr. KEBLER. I would like to say a word on this economic problem. I think it is a very important one. It brings out the feature that those particular people are absolutely worthless, and are a charge on the community, who are addicted to this opium and morphine habit. For example, I went through an institution at Atlanta, Ga., where I met one of our good medical brethren who was taking, up to the time he came there, 25 grains of morphine and 10 grains of cocaine. And yet that man was performing major operations the week before he came there. That dose affected that man's economic feature very much.

I was down in the asylum of Alabama a few weeks ago, and there I met innumerable individuals who were absolutely worthless.

The CHAIRMAN. You may send that information on and the committee will inspect it and determine whether they will publish it in the record or not.

(Thereupon, at 4.05 p. m., the hearings were concluded and the committee adjourned.)

NEW YORK BOARD OF TRADE AND TRANSPORTATION,
203 Broadway, New York, January 13, 1911.

HON. SERENO E. PAYNE,
Chairman of Committee on Ways and Means,
Washington, D. C.

ESTEEMED FRIEND: At the suggestion of some members of the drug-trade section of the New York Board of Trade and Transportation, I would like to add

the following remarks to my statement made at the hearing before your committee, January 11, with reference to the Foster bill:

If the theory of its framers and supporters is correct, the quantities cocaine, morphine, and opium will be reduced about one-half or probably more. This would leave the revenue from the contemplated tax inadequate to pay for its collection and would eventually become a tax upon sick people, and should this measure be enacted into law Congress would thus reverse itself, because in 1879 the tariff on quinine was removed entirely upon the grounds that it was a tax upon sick people and for this reason was characterized as blocking money, and no Congress has since seen the wisdom of restoring all or a portion of this duty regardless of some good reasons why it should be done.

I merely mention this point as one that was not brought out at the recent hearing.

Sincerely, yours,

THOS. P. COOK,
Chairman of Committee on Legislation.



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